



ELIAS MOTSOLEDI LOCAL MUNICIPALITY

DRAFT 2012/2013 ANNUAL REPORT

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ACRONYMS

EMLM	:Elias Motsoaledi Local Municipality
ANC	:African National Congress
APC	:African People's Convention
AZAPO	:Azanian People's Organisation
COGHSTA	:Department of Corporative Governance, Human Settlement and Traditional Affairs
COGTA	:Department of Corporative Governance and Traditional Affairs
COPE	:Congress of the People
DA	:Democratic Alliance
EXCO	:Executive Committee
FBE	:Free Basic Electricity
IDP	:Integrated Development Plan
LED	:Local Economic Development
LIBSA	:Limpopo Business Support Agency
LLF	:Local Labour Forum
MIG	:Municipal Infrastructure Grant
MP	:Mpumalanga Party
PAC	:Pan African Congress
SDBIP	:Service Delivery and Budget Implementation Plan
PMS	:performance management system
MPAC	:Municipal public account committee
SDM	:Sekhukhune District Municipality
SEDA	:Small Enterprise Development Agency
SMME	:Small, Medium and Micro Enterprises
UIF	:United Independent Front
WSP	:Work Skill Plan
KM	:kilometre
ESS	:Employee self service
ICT	:Information Communication Technology
OHS	:Occupational health and safety
Cllr	:Councilor
AFS	:Annual financial statements
CDW	:Community development worker
CFO	:Chief financial officer
CLLR	:Councilor
EPWP	:Expanded works programme

FBE	:Free basic electricity
SCM	:Supply chain management
AG	: Auditor General
GRAP	: General Recognised Accounting Practice
HR	:Human resources
MFMA	:Municipal Finance Management Act
MSA	:Municipal Systems Act

VISION

A better life for all through service excellence

MISSION

The Elias Motsoaledi Local Municipality is committed to:

- Provide democratic and accountable governance for local communities
- Ensure provision of services to communities in a sustainable manner.
- Promote social and economic development

CHAPTER 1

MAYOR'S FOREWORD AND EXECUTIVE SUMMARY

COMPONENT A : MAYOR'S FOREWORD



a. Vision

It is a pleasure for me to present Elias Motsoaledi Local Municipality 2012/2013 draft Annual Report to our residents and other interested parties. The 2012/2013 annual report gives a detailed review of the municipality's activities on actual performance at the end of the fiscal year reporting on how the IDP and budget were implemented. It also describes the work of the municipality in fulfilling its Constitutional mandate and in meeting its obligations as dictated by the applicable local government legislation. Despite the effects of the economic difficult times, the municipality continued to provide quality service delivery to our community and we completed numerous capital projects in a drive towards achieving the Municipal **Vision**:

"A BETTER LIFE FOR ALL THROUGH SERVICE EXCELLENCE"

With our mission being:

- Provide democratic and accountable government for local communities,
- Ensure provision of services to communities in a sustainable manner,
- Promote social and economic development.

b. Key Policy Developments

Elias Motsoaledi Local Municipality being identified as the Provincial growth, the municipality has then aligned its developmental strategies to that of the provincial growth and development strategy. The Municipality's performance will be measured by satisfying its key developmental objectives which are as follows:

- Ensuring sustainable and qualitative service delivery
- Improve Local Economy through revised LED strategy
- To achieve an unqualified audit opinion by the Auditor General
- Facilitate and regularly update the indigent register to be accurate
- To ensure that monies owed to the municipality is collected
- Continue to participate in programmes of HIV and AIDS, TB, Cancer through Local Aids Forum

- Improving Records Management System in terms of NARSA Act
- Ensuring that we employ and assist people with disabilities.
- To continue conducting Public Participation and ensure the functionality of all governance structures for accountability.
- Fast tracking the implementation of infrastructure projects
- Strengthen the relationship with the traditional leaders
- Creating job opportunities through the implementation of the EPWP

c. Key Service Delivery Improvements

During the year under review municipality achieved its objective of increasing number of households with access to waste removal as the service was extended to Elandsdooring Township, Tambo Square Township and Walter Sisulu Township. The extension increases the number of households with access waste removal from 9331 to 9584. Municipality has 02 licensed landfill site in Groblersdal and Roosenekal and one transfer station in Hlogotlou.

Municipality assisted 37 students with bursaries to pay for their registration fees only to the amount of R121 590.00.

Game centre mall in Groblersdal town was opened and created jobs within our municipality. 371 jobs were created through EPWP projects and 17 permanent jobs were created through LED initiatives in Roosenekaal through social and labour projects initiated by Mapochs mine. Municipality hosted 03 flea markets in Moutse mall where local SMME'S exhibited their product for marketing.

Municipality started the financial year 2012/2013 with a huge deficit where council resolved that management cut off their operating expenditure with 3.5% to cap the deficit. At the beginning of the financial year the adopted IDP has 09 capital projects for roads which 04 were MIG funded and the other 05 were municipal funded. Due to the financial crisis, 05 roads projects were removed during mid-year as municipality did not have funds to construct those roads. By the end of the financial year Municipality completed all 04 MIG funded roads consisting of 21.3km. 2,5km of road designs were completed and 230m² of road were regravelled. Municipality has achieved 100% of MIG spending.

The total budget of municipality was R278.8 million. Municipality succeeded in saving cost to the value of 36.6 million at the end of the financial year as the results of resolution taken by council to cut on the operational expenditure. At the end of the financial year the total operational expenditure was R184.8 million. municipality has achieved 54.31% of the set objectives in the IDP as compared to 53.25% achievement during the financial year 2011/2012. We are looking forward into improving the service delivery in the financial year 2013/2014 in order to achieve 100% of the objectives as set in the IDP. The improvement can

be achievable through the commitment of all staff members. The table below indicates the overall performance for the municipality for the financial year 2012/2013.

number	Key performance area	number of KPI's achieved	number of KPI's not achieved	Performance percentage per KPA
1.	Spatial Planning	0	06	0%
2.	Municipal transformation and institutional development	15	15	50%
3.	Local economic development	02	01	67%
4.	Infrastructure and basic service delivery	26	15	63%
5.	Financial viability and management	12	06	67%
6.	Good governance and public participation	08	10	44%
	TOTAL	63	53	54.31%

d. Public Participation

Municipality keeps community informed about the performance and challenges of municipality through public participation. Municipality conducted 30 public participation sessions through IDP process where communities were given an opportunity to raise their needs to be incorporated in the IDP. Not all needs were raised were incorporated in the IDP, only prioritized and budgeted needs were incorporated in the IDP. There is a need for improvement in conducting public participation sessions so that they can be conducted every quarter to inform community members about the progress of the implementation of the IDP and the budget of the municipality.

e. Future Actions

Municipality will proceed with the strategy used in the financial year 2012/2013 of saving on operational expenditure until the municipality is able to sustain itself financially to reduce the high reliance on grants. With the cutting of operational expenditure municipality will be able to improve service delivery through with its own funding projects. Even though the municipality has achieved its core mandates and succeeded in sustaining the qualified audit opinion, we

are aware that there are still service delivery challenges that lies ahead and we are working together in mitigating the challenges through:

- Appoint the service providers for capital projects timely for implementation of projects to avoid the rollovers.
- Filling of key strategic funded positions within the required time.
- To implements the retention policy in order to retain employees with scarce skills
- Implement the revenue enhancement strategy
- To empower and support the Co-operatives within our area

f. Agreements / Partnerships

There are no major partnerships that the Municipality has entered into. The Municipality has signed a lease agreement with Buffalo beach leasing 47 hectares of the Municipality to Buffalo Beach Entertainment for water park and water sports.

g. audit opinion

Municipality has obtained qualified audit opinion which is the same audit opinion as 2011/2012 financial year. The 11 audit findings for the financial year 2011/2012 were reduced to 07 in the financial year 2012/2013. The reduction its an improvement and we looking forward into reducing the 07 findings to 0 findings in the next financial. We hope and believe that during 2013/2014 we will improve towards clean audit opinion.

h. Conclusion

I wish to thank all councillors, staff, residents, stakeholders in particular rate payers for their contributions to pay for services .Together we strive to take our municipality from strength to strength.

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W.M MATEMANE

MAYOR

COMPONENT B: EXECUTIVE SUMMARY

1.1 MUNICIPAL MANAGER'S OVERVIEW



This report records the progress made by the Municipality in fulfilling its objectives as reflected in the IDP, the Budget and the Service Delivery and Budget Implementation Plan. It also reflects on challenges and priorities for the 2012/13 financial year. Chapter 12 of MFMA Section 121 (1) stipulates that every municipality must for each financial year prepare an annual report in accordance with this Chapter. EMLM has compiled the annual report to comply with legislation to give members of community and all stakeholders the performance of the municipality as to how the IDP and budget was implemented. Our budget spending pattern was improved with a record breaking of 100% MIG spending as well as improved revenue collection through broadening of our tax base. The total budget of municipality was R278.8 million. Municipality succeeded in saving costs to the value of R36.3 million at the end of the financial year as the result taken by council to cut on the operational expenditure. At the end of the financial year the total operational expenditure was R184.8 million. We would like to applaud the revenue service for the increase in revenue collected hence our cash flow crisis was improved from deficit to surplus.

The municipal council took a bold decision that operating expenditure for 2012/2013 financial year be cut by at least 3.5% to address the deficit challenges we had at the beginning of the financial year, indeed the decision yielded results hence the cash flow problem was overcome by the first semester of the year. The infrastructure department was still doing us proud by maintaining their good MIG Expenditure pattern but they still need to improve on road maintenance.. The municipality has got a credible IDP and well-crafted SDBIP, the challenge is to attract investors through our IDP document and its implementation.

The municipality has successfully established internal audit unit and risk management unit for the first time to strengthen internal controls and minimise corruption and fraud in the municipality. During its first year of establishment, internal audit personnel developed the internal audit plan,

internal audit charter and audit committee charter which were approved by audit committee. Risk management unit developed the strategic and operational risk register which was also approved by audit committee. EMLM has Audit Committee and Municipal Public Accounts committee (MPAC) in place. The establishment of Audit committee and Municipal Public Accounts Committee has strengthened internal control through their oversight role. For the year under review audit committee held 04 ordinary meetings and 06 special meetings. The 06 special meetings were due to the fact that it was the first time municipality had audit committee in place therefore there was lot of challenges that needed to be addressed and by the end of the financial year the municipality was on right track. That is one factor that contributed to sustaining the qualified audit opinion. Municipality started the financial year with 04 vacancies for section 56 managers and managed to fill 02 vacancies, the one for Director Infrastructure and Chief Financial Officer. The fulfilment of the two posts had a major impact on the improvement of service delivery and performance of the municipality.

At the end of the financial year there were two vacancies for senior managers (planning and corporate department), which imposed functional challenges in those respective departments. We commit that both vacancies shall be filled by first semester of 2013/2014 financial year. All Senior Managers concluded their performance agreements and quarterly performance reviews were conducted thereby allowing the preparation of quarterly reports to detect non-performance of the set targets. Municipality conducted 2011/2012 individual annual appraisals to evaluate the performance of senior managers to determine if whether they qualify for performance bonuses. No performance bonuses were paid to senior managers as no one qualified to be paid. During the financial year under review 2012/2013 individual midyear appraisals were conducted as a process to detect early warnings for non-performance and come up with corrective measures to rectify the non performance.

The municipality developed an audit action plan to address 2011/2012 issues raised by Auditor General. The issues raised were decreased from 11 to 7. The municipality went further by developing departmental action plan to address even those issues that were raised on management letter as matters of emphasis. The municipality sustained a qualified audit opinion for the financial 2012/2013 which is the same opinion as the one for financial year 2011/2012.

The municipality dependency rate on grants is high hence we are envisaging that 20% of capital budget be allocated to cost recovery projects for the municipality to be self-sustainable. We hope and believe that more jobs will be created than the 371 jobs created through EPWP. Lastly we would like to thank the Audit Committee, Internal Audit, MPAC, Councillors, Staff and the Mayor for the contribution towards striving for clean administration.

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M.M SKOSANA

MUNICIPAL MANAGER

1.2 MUNICIPAL , FUNCTIONS, POLULATION AND ENVIROMENTAL OVERVIEW

Elias Motsoaledi Local Municipality is situated in Groblersdal in Limpopo province. The municipality is in North East of Pretoria and is situated approximated 32 km from Loskop Dam, 100 km north of Bronkhorstspuit, 80 km northwest of Witbank (Emalahleni), and 25 km south of Marble Hall. Accessibility is mainly via the R25 road, which links the area with Oliver Tambo International Airport in Johannesburg; and via the N11 with Witbank. Both R25 and N11 provide good accessibility to the municipality.

Elias Motsoaledi Local Municipality (EMLM) is the second largest Municipality within Sekhukhune District Municipality (SDM). Elias Motsoaledi Local Municipality is one of the five Municipalities forming the Sekhukhune District which is the second poorest District among South Africa's 13 normal points identified as poor and requiring careful developmental measures. The Municipality comprises of an estimated 62 settlements most of which are villages R293 areas and the Groblersdal Town. EMLM is located in Limpopo and consists of 30 Wards and 60 Councillor's.

Elias Motsoaledi is a category B municipality established to perform the following functions:

Table 1

Schedule 4 Part B	Schedule 5 Part B
<ul style="list-style-type: none">● Air pollution● Building regulations● Child care facilities● Electricity and gas reticulation● Firefighting services● Local tourism● Municipal planning● Municipal health services● Municipal public transport● Municipal public works● Pontoons, ferries, jetties, piers and harbours,● Storm-water management systems in built-up areas● Trading regulations	<ul style="list-style-type: none">● Billboards and the display of advertisements in public places● Cemeteries, funeral parlours and crematoria● Cleansing● Control of public nuisances● Control of undertakings that sell liquor to the public● Facilities for the accommodation, care and burial of animals● Fencing and fences● Local sport facilities● Municipal parks and recreation● Municipal road● Public places● Refuse removal, refuse dumps and solid waste disposal● Street trading● Street lighting● Traffic and parking

1.2.1 Population group

The majority of people in EMLM are Africans while there are other groups like whites, coloured, Indians and Asian people.

Table 2 natural resources within EMLM

Natural Resources	
Major Natural Resource	Relevance to Community
Minerals	Economic empowerment and job creation
River/Dam	Water sources
Caves	Tourist attraction (Roossenekal)
Arable Land	For agriculture

1.3 SERVICE DELIVERY OVERVIEW

The core business of EMLM is roads, electricity and waste removal. Water and sanitation is provided by Sekhukhune District Municipality, and electricity is provided by Eskom in 28 wards. The housing function is provided by the Department of Housing. The reliance on other services from other sectors, and from the District, causes a backlog in terms of service delivery in our municipality. Currently the municipality has 57% backlog for water services and 84% in sanitation. EMLM is licensed to provide electricity only in Roossenekal and Groblersdal. Other wards are an Eskom-licensed area.

47473 households have access to basic electricity and 800 households receive free basic electricity. Approximately 96% of the municipality has access to electricity. Municipality has extended the service for waste removal to Elandsdoorn Township which increases the number of households accessing waste removal from 9331 to 9584. 10 skips were purchased and placed at strategic areas in rural villages to decrease the number of illegal dumping. 01 skip loader truck was purchased to ensure that skips are always maintained on a weekly basis. 8.25 km of roads to the value of R35,223, 000 00 were constructed and completed, therefore there were no rolled over projects from financial year 2012/2013. MIG funds were all spent by the end of the financial year.

1.4 FINANCIAL HEALTH OVERVIEW

Municipality started the financial year 2012/2013 with a very huge deficit and approximately R50 million of unauthorized expenditure, this was due to over spending of the budget. The most contributing factor to the deficit incurred by municipality was non-payment of services. At the beginning of the year council resolved that Municipality must reduce the operating expenditure by 3,5% to cap the deficit and to further improve the cash flow. For the implementation of the council resolution of reducing operating expenditure, management agreed that each department must save 3.5% of its expenditure budget and that was adhered to as at the end of the financial year municipality saved R 36.6 million.

1.4.1 BUDGET AND REVENUE COLLECTION

EMLM is a rural municipality with high volume of the outstanding consumer debts. This lead to financial burdened with non-payment for services. Municipality has developed the Revenue Enhancement Strategy to address this challenge and also appointed a debt collector to assist in the process of debt collection. The outstanding debt affects the cash-flow status of the municipality.

Municipality budgeted R278.8 million for the financial year 2012/2013 of which R 249.4 million has been collected vs. the projected income of R278.8 million. This reflects the difference of R 29.4 million less between the projected income and the collected revenue. All grants and subsidies were received and they contribute a major portion of the total revenue which amounts to R 168.0 million. R 129.5 million is an unconditional grant and R 38.5 million is conditional grant.

During budget adjustment there was no increase or decrease in total revenue. The total revenue billed on service charges i.e. (property rates, electricity and refuse removal) amounted to R 85.5 million and the actual revenue collected was R 57.3 million which indicates an under collection of R 28.2 million. Rental of facilities, interest on investment and on outstanding debts contribute an insignificant percentage in the total revenue of the municipality which is 1.06% of the revenue collected. Motor vehicle licenses and fines contribute R6.4 million of the total revenue collected. Municipality faces a huge challenge of grant dependence.

1.4.2 EXPENDITURE

Municipality has succeeded in saving cost by cutting on operational expenditure by R 36.6 million out of R 221.4 million budgeted for operational expenditure. At the end of the financial year

municipality's total operation expenditure was R 184.8 million. The employee cost consists of 33.4% of the expenditure. Municipality saved R37.2 million in operating expenditure.

Table 3: is the financial overview.

Financial Overview – 2012/2013			
R'000			
Details	Original Budget	Adjustment Budget	Actual
Income			
Grants	168,079	168,079	168,079
Taxes, levies and tariffs	94,292	96,792	96,590
Other	16,474	13,974	50,919
Sub-Total	278,845	278,845	315,588
Less Expenditure	221,433	221,433	184,684
Net Total*	57,412	57,412	130,904

Table 4: operating ratios

Operating Ratios	
Detail	%
Employee Costs	33
Repairs & Maintenance	2
Finance Charges & Depreciation	14

Table 5: total capital expenditure

Total Capital Expenditure (R'000)		
Detail	2011/12	2012/13
Original Budget	109136	57,412
Adjustment Budget	99811	57,412
Actual	103083	47,355

1.5 ORGANISATIONAL DEVELOPMENT OVERVIEW

1.5.1 HUMAN RESOURCES OVERVIEW

Human resource services for the municipality are effective and efficient, and meet the expectations of the community at large. Municipality had 265 employees and 23 terminations. Out of 23 terminations, 15 left the institution and 08 resigned from their former positions and applied for better position within the municipality. 22 vacant post were filled including 05 critical posts (Director infrastructure, CFO, internal auditor, Risk officer, Chief risk officer) Municipality retained 01 employee (Electrical Engineer) as there was a need for the skill that he possesses.

Table 6:

total post on the organogram	364
total number of employees	265
total number of vacancies	99
terminations	23
retirements	4
resignation	6
death	4
contract ended	1
retention	1

Human resources is responsible for the following service delivery priorities:

- Attracting a skilled workforce
- Ensuring that the workforce is motivated to perform the required tasks
- Continuous capacity building of personnel
- The municipality has succeeded in retaining 98% of the workforce

Table 7: approved and reviewed policies

NO.	POLICY NAME	approved	reviewed	RESOLUTION NUMBER
1.	draft traditional leader's framework	✓		M12/66
2.	draft information technology patch policy	✓		C12/77
3.	Draft email and internet policy	✓		C12/78
4.	ICT disaster recovery policy	✓		C12/79
5.	IT governance framework	✓		C12/80
6.	amended employees cellphone allowance policy		✓	C12/72
7.	Draft geographical names committee	✓		C12/75

NO.	POLICY NAME	approved	reviewed	RESOLUTION NUMBER
	policy			

1.5.2 COMMITTEES

The following committees were established in strengthening human resource management:

- Training committee
- OHS committee
- Remuneration committee
- Local labour forum.

1.5.3 BURSARIES

EMLM assisted 37 students with registration fees at registered institutions to the value of R121 590.00 which is an increase from R98 601.00 paid during the financial year 2011/2012 for 40 students. Preference was given to students from poor family backgrounds. The following are the adjudication committee members who adjudicates applications as per approved policy.

- Chairperson for community services department
- Exco member for finance department
- Exco member for corporate services department
- Director community services
- Human resource department

1.5.4 WORKPLACE SKILLS PLAN (WSP)

Municipality has developed the WSP for the year under review and it was submitted to LGSETA by June 2013. Municipality received R 299 571.61 mandatory grants in the form of rebates from the LGSETA.

1.6 AUDITOR GENERAL REPORT

Municipality obtained a qualified audit opinion for the first time during financial year 2011/2012 which is a huge achievement and sustained the same opinion for the financial year 2012/2013. we are looking forward in achieving clean audit by 2014. Basis for qualification are as follows:

- Investment property
- Property plants and equipment
- Intangible assets
- Irregular expenditure
- Aggregation of immaterial uncorrected misstatements

- Contingent assets
- Value added tax (VAT)

1.7 STATUTORY ANNUAL REPORT PROCESS

Table 8 statutory annual report process

No	Activity	Timeframe
1	Consideration of next financial year's budget and IDP process plan. Except for the legislative content, the process plan should confirm in-year reporting formats, to ensure that reporting and monitoring feeds seamlessly into the annual report process at the end of the budget/IDP implementation period	July
2	Implementation and monitoring of the approved budget and IDP commences (in-year financial reporting)	
3	Finalise 4 th quarter report for previous financial year	
4	Submit draft annual report to internal audit and Auditor General	
5	Municipal entities submit draft annual reports to MM	
6	Audit/Performance Committee considers draft annual report of municipality and entities (where relevant)	August
8	Mayor tables the unaudited annual report	
9	Municipality submits draft annual report, including the consolidated annual financial statements and the performance report, to the Auditor General	
10	Annual performance report, as submitted to Auditor General, to be provided as input to the IDP Analysis Phase	
11	Auditor General assesses draft annual report, including the consolidated annual financial statements and performance data	September – October
12	Municipalities receive and start to address the Auditor General's comments	November
13	Mayor tables annual report and audited financial statements to council, complete with the Auditor General's Report	

14	Audited annual report is made public and representation is invited	
15	Oversight Committee assesses the annual report	
16	Council adopts oversight report	
17	Oversight report is made public	December
18	Oversight report is submitted to relevant provincial councils	
19	Commencement of draft budget/ IDP finalisation for the next financial year. Annual report and oversight reports to be used as input.	January

It is important to achieve the above-mentioned deadlines, as it helps to have enough information by the end of the financial year to be able to start with preparing the draft annual report: much information will be available. It is also a compliance issue to meet the deadlines, as non-compliance will result in a negative audit opinion for the municipality. Meeting deadlines also assists with receiving feedback, comments and inputs from relevant stakeholders, and helps with rectifying mistakes whilst learning good practice at the same time.

The alignment of IDP, budget and the performance system is important, as the three documents are the strategic documents of the municipality. They serve as a guiding tool to determine whether the municipality is working towards achieving its set goals and objectives, while using the budget in the correct manner, so as to avoid wasting public funds. This is done through the performance management, where there will be quarterly reporting about the performance of the municipality and whether the budget is still aligned to the set objectives, or if it is being spent on something that is not helping achieve set objectives and goals. Performance management helps to give an early indication of non-performance, and allows for the taking of corrective measures as soon as possible.

CHAPTER 2

GOVERNANCE

COMPONENT A: POLITICAL AND ADMINISTRATIVE GOVERNANCE

2.1 Political governance

The council and administration of municipality are responsible for decision making and implementation of decision taken collectively. The mayor of the municipality is the political head who provides guidance over the fiscal and financial affairs of the municipality. 10 committees were established as follows:

- Executive Committee
- Municipal Public Accounts Committee
- Programming committee
- Corporate services Section 79 committee
- Infrastructure services section 79 committee
- Financial services section 79 committee
- Community Services section 79 committee
- Development planning section 79 committee
- Strategic Management section 79 committee
- Oversight committee

At the beginning of the financial year 2012/2013, municipality had 60 councillors and during the course of the year one Councillor (Cllr Somo S.O) passed away which reduces the number of councillors to 59 and the number of party representatives to 29 by the end of the financial year. The death of councillor Somo left a vacancy in the political party of DA which was not filled by the end of the financial year. The council comprises of 6 political parties namely: ANC, DA, COPE, AZAPO, MP and APC. 29 Councillors are party representatives and 30 are ward Councillors.

In order to enhance good governance and accountability, Municipality adopted separation of powers model which separated legislative arm from executive arm. This is in line with the governance approach that seeks to put in place an independent oversight mechanism to ensure that democracy is deepened and that effective public service delivery takes place to benefit EMLM communities Council has established section 79 committees to play oversight role and monitor the work of the executive and administration. The established Committees are aligned to administrative departments of the municipality and are chaired by non-executive councillors. The Mayor is the political head of the Institution and the Speaker is the head of council. MPAC committee is also in place and performs its duties as per approved annual work programme.

For the year under review council referred 01 case of irregular expenditure to MPAC committee for investigations and the case was closed and referred back to council for final decision. Municipality has MPAC and Oversight committee in place due to the fact that initially only oversight committee was established and later MPAC was established and the Oversight committee was not dissolved to date.

Municipality has 54 part-time Councillors and seven full-time Councillors. There is a good relationship between councillors as they work cooperatively to achieve the set goals of the municipality. All councillors participate in various committees established in the municipality, and attendance of council meeting is always good as no council meeting was postponed due to absence of quorum. For the year under review council held 3 ordinary council meeting and 14 special council meeting where 332 council resolutions were taken.

Table 2.1.1 reflect number of meetings took place during the year under review:

Name of Meeting	Annual Target	Number of meetings convened and materialised
Departmental portfolio committees		
Corporate Services	11	4
Strategic Department	11	2
Finance Department	11	5
Infrastructure Department	11	5
Development Planning	11	6
Community Services	11	7
Labour Forum	11	6
Political committees		
EXCO	12	10
Special EXCO	0	15
Council	4	3
Special Council	0	14
Oversight Committee	0	1
Programming	12	10
MPAC	0	3
SCM committees		
Specification	0	11
Evaluation	0	15
Adjudication	0	14

Table 2.1.2 : Information for EMLM Councillors

Surname and Initials	Committee(s)	Party	Ward no./ PR	Contact number	Gender
Cllr Alberts, R	EXCO	DA	PR	082 332 3180	male
Cllr Buta, M.Z.		ANC	Ward 16	082 526 3304	male
Cllr Kabinie, R.S.A.		ANC	PR	082 525 6299	female
Cllr Kotze, J.P.		DA	Ward 13	082 332 2973	male
Cllr Lepota, T.J.		ANC	WARD 4	082 525 4213	male
Cllr Madihlaba, M.F.	Exco	ANC	PR	082 526 3996	male
Cllr Maepa, M.M.		AZAPO	PR	082 332 3179	male
Cllr Mahlangu, A.B.	Exco	ANC	PR	082 333 5092	female
Cllr Mahlangu, Julia		ANC	WARD 19	082 525 4889	female
Cllr Mahlangu, M.D.		ANC	WARD 3	082 525 4748	male
Cllr Mahlangu, N.N.		ANC	WARD 23	082 525 4998	female
Cllr Mahlangu, T.S.	Exco	ANC	PR	082 495 1407	female
Cllr Mahlase, K.S.		ANC	WARD 1	082 525 4289	male
Cllr Malatji, M.N.		ANC	PR	082 332 8294	female
Cllr Malekane, M.S.		ANC	WARD 30	082 525 4059	male
Cllr Maloba, A.M.		MP	WARD 11	082 525 4299	male
Cllr Mamaila, D.S.	Exco	ANC	PR	082 495 0946	female
Cllr Marapi, M.S.		ANC	WARD 9	082 525 4170	male
Cllr Maselela, M.S.		MP	PR	082 525 4649	male
Cllr Masemola, E.M. (SPEAKER)		ANC	PR	082 333 7672	male
Cllr Mashifane, H.S.		ANC	WARD 15	082 526 0440	male
Cllr Mashilo, M.S.		ANC	WARD 25	082 495 1194	female
Cllr Matemane, W.M. (MAYOR)	Exco	ANC	PR	082 495 0486	female
Cllr Mathale, S.M.		ANC	PR	082 526 4077	male
Cllr Mathebe, J.L.		ANC	PR	082 525 4688	female
Cllr Matjomane, G.D.		ANC	PR	082 525 4163	female
Cllr Matlala, M.S.		ANC	WARD 20	082 525 4388	male
Cllr Matsepe, C.D.		DA	PR	082 370 4233	male
Cllr Matsepe, T.S.		ANC	PR	082 412 7879	female
Cllr Matshipa, M.P.		ANC	WARD 18	082 525 4067	male
Cllr Matsomane, S.T.		COPE	PR	082 526 4089	female
Cllr Mehlaphe, S.H.		ANC	WARD 14	082 525 4056	female
Cllr Mhlanga, C.T.		MP	WARD 6	082 333 9115	male
Cllr Mkhali, I.		APC	PR	082 525 4948	male
Cllr Mmutle, T.N.		ANC	WARD 5	082 525 4223	male
Cllr Moganedi, V.V.		MP	PR	082 526 4048	female
Cllr Mogotji, F.M.	Exco	MP	WARD 10	082 525 4264	male
Cllr Mohlala, M.J.		ANC	WARD 27	082 559 7302	male
Cllr Mokgabudi, M.P.	Exco	ANC	PR	082 495 0793	male
Cllr Mokganyetji, M.T.		ANC	WARD 24	082 525 9797	male
Cllr Mokone, M.P.		MP	PR	082 525 4578	male

Surname and Initials	Committee(s)	Party	Ward no./ PR	Contact number	Gender
Cllr Molekwa, M. Freda		MP	PR	082 332 5081	female
Cllr Motau, O.E.		MP	PR	082 525 4267	male
Cllr Motlale, M.G.		ANC	WARD 26	082 525 4508	female
Cllr Mzinyane, D.M.		ANC	WARD 8	082 527 0668	male
Cllr Nduli, M.E.		ANC	WARD 21	082 525 4140	male
Cllr Nkosi, S.F.		ANC	WARD 29	082 5264062	male
Cllr Ntuli, T.J.		MP	PR	082 526 4070	male
CllrPhahlamohlaka, T.M.(CHIEF WHIP)		ANC	PR	082 525 4154	male
Cllr Phala, M.L.		ANC	WARD 7	082 526 3982	male
Cllr Phatlane, A.		ANC	WARD 2	082 525 4074	male
Cllr Podile, R.J.		ANC	WARD 12	082 526 4055	male
Cllr Ramphisa, M.W.		MP	PR	082 525 4215	male
Cllr Skosana, J.J.	Exco	MP	PR	082 525 5324	male
Cllr Skosana, S.L.		ANC	PR	082 304 8018	female
Cllr Tladi, M.D.		ANC	WARD 28	082 526 0053	male
Cllr Tshoma, L.H.		ANC	WARD 22	082 304 8019	male
Cllr Tshoma, M.S.		ANC	WARD 17	082 304 8017	female
Cllr Tshoshane, M.	Exco	ANC	PR	082 332 2949	female

Table 2.1.3: Section 79 portfolio committees

Corporate Services department	Infrastructure department	budget and treasury department
1) Chairperson: Cllr Mathebe, J.L.	1) Chairperson: Cllr Matjomane G.D.	1) Chairperson: Cllr Mmutle T.N.
2) Cllr Malekane, M.S.	2) Cllr Tshoma, M.S.	2) Cllr Mahlase, K.S.
3) Cllr Mokganyetji, T.M.	3) Cllr Mahlase, K.S.	3) Cllr Matsepe, T.S.
4) Cllr Mzinyane, D.M.	4) Cllr Motlale, M.G.	4) Cllr Matlala, M.S.
5) Cllr Mahlangu, J.	5) Cllr Mashilo, M.S.	5) Cllr Marapi, M.S.
6) Cllr Malatji, M.N.	6) Cllr Phatlane, A.	6) Cllr Mahlangu, N.N.
7) Cllr Buda, M.Z.	7) Cllr Mmutle, T.N.	7) Cllr Nkosi, S.F.
8) Cllr Mhlanga, C.T.	8) Cllr Maselela, M.S.	8) Cllr Tshoshane, K.M.
9) Cllr Moganedi, V.V.	9) Cllr Kotze, J.P.	9) Cllr Skosana, J.J.
10) Cllr Tshoma, M.S.	10) Cllr Kabinie, R.S.A.	10) 11) Cllr Maepa, M.M.
community services department	Strategic Department	Planning department
1) Chairperson: Cllr Kabinie, R.S.A.	1) Chairperson: Cllr Mzinyane, D.M.	1) Chairperson: Cllr Mehlape, S.H.
2) Cllr Mathale, S.M.	2) Cllr Tladi, M.D.	2) Cllr Mahlangu, N.N.
3) Cllr Nduli, M.E.	3) Cllr Matjomane, G.D.	3) Cllr Matshipa, M.P.

4) Cllr Mahlangu, M.D.	4) Cllr Mokganyetji, T.M.	4) Cllr Mashifane, H.S.
5) Cllr Phala, M.L.	5) Cllr Mashilo, M.S.	5) Cllr Mahlangu, M.D.
6) Cllr Mashifane, H.S.	6) Cllr Tshoma, L.H.	6) Cllr Motlafe, M.G.
7) Cllr Tshoma, L.H.	7) Cllr Mehlafe, S.H.	7) Cllr Mohlala, J.M.
8) Cllr Malatji, M.N.	8) Cllr Tshoshane, K.M.	8) Cllr Ntuli, T.J.
9) Cllr Mkhalihi, I.	9) Cllr Matsomane S.T	9) Cllr Maloba, A.M.
10) Cllr Podile, R.M.		10) Cllr Motau, O.E.
Municipal Public Accounts Committee	Oversight Committee	
1) Chairperson: Cllr Skosana, S.L.	Chairperson: Cllr Jan Mohlala.	
2) Cllr Mashifane, H.S.	Cllr Matsepe, C.D.	
3) Cllr Matshipa, M.P.	Cllr Nkosi, S.F.	
4) Cllr Maepa, M.M.	Cllr Malekane, M.S.	
5) Cllr Skosana, J.J.	Cllr Mathebe, J.L.	
6) Cllr Nduli, M.E.		
7) Cllr Phatlane, A.		
8) Cllr Tladi, M.D.		
9) Cllr Matsepe, C.D.		
10) Cllr Mmutle, J.N.		

2.1.4 Below are faces for the Mayor, Executive committee and the Speaker



W.M Matemane

Mayor

0824950486

2.1.4.1 Powers and functions of Mayor as per section 52 of the Municipal Systems Act .

- Provide general political guidance over the fiscal and financial affairs of the municipality.
- In providing such general political guidance, may monitor and, to the extent provide in this Act, oversee the exercise of responsibilities assigned in terms of this Act to the accounting officer and the chief financial officer, but may not interfere in the exercise of those responsibilities
- Must take all reasonable steps to ensure that the municipality performs its constitutional and statutory functions within the limits of the municipality's approved budget.
- Must within 30 days of the end of each quarter submit a report to council on the implementation of the budget and the financial state of affairs of the municipality
- Must exercise the other powers and perform the other duties assigned to the mayor in terms of this Act or delegated by council to the mayor

2.1.4.2 Executive Committee Members

2.1.4.2.1 Functions of executive committee as per delegation of powers

- to report to council on all decisions taken by it;
- oversee and monitor the implementation and enforcement of the municipality's credit control and debt collection policy and by-laws and the performance of the municipal manager in implementing the policy and by-laws;
- when necessary, evaluate or review the municipality's credit control and debt collection policy and by-laws, or the implementation of the policy and by-laws, in order to improve efficiency of its credit control and debt collection mechanisms, processes and procedures;
- makes recommendations to council on proposed political structures of council;

- makes recommendations to council in respect of its legislative powers;
- gives political directions to executive management team;
- determine strategic approaches, guidelines and growth parameters for the draft budget including tariff structures;
- delegates powers in respect of any of its powers to the mayor;



Cllr A.B. Mahlangu
Political head for community services
0823335092



Cllr M.Tshoshane
political head for strategic services
0823322949



Cllr M.P. Mokgabudi
Political head for Infrastructure
0824950793



Cllr M.F. Madhlaba
Political head for planning
0825263996



Cllr D.S. Mamaila
Political head for finance
0824950946



Cllr T.S. Mahlangu
Political head for corporate services
0824951407



Cllr Skosana J.J

Exco member
0825255324



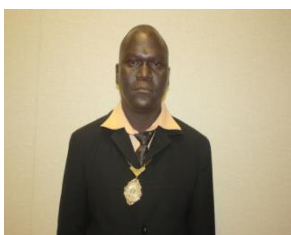
Cllr F.M. Mogotji

Deputy political head for planning
0825254264



Cllr R. Alberts

Deputy political head for finance
0823323180



Cllr E.M Masemola
Speaker

0823337672

- to preside at meetings of the council where she/he is present;
- to ensure that the council meets at least quarterly;
- to ensure compliance with the Code of Conduct for councillors in the meetings of council and council's committees;
- to maintain order during meetings of the council;

- Ensure that the provision in respect of privileges and immunities of councillors, as set out in section 28 of the Structures Act or any other applicable legislation, are adhered to.
- to ensure that council meetings are conducted in accordance with the rules and orders of the council;
- determine the date and venue of ordinary council meetings;
- to convene special meetings of the council at the venue determined by her/him and at the time set out in any request that such a meeting be convened in terms of section 29(1) of the Structures Act; and
- receive information from the Auditor – General regarding the failure to submit annual financial statements.
- in terms of section 13 (1) of the Municipal finance Management Act.

2.1.4.3 Municipal public accounts

One of the strategic objectives of the Local Government Turnaround Strategy is to build clean, effective, efficient, responsive and accountable local government. The main purpose of the MPAC is to exercise oversight over the executive functionaries of council and to ensure good governance in the municipality.

Below are faces of MPAC members



Cllr Skosana S.L
MPAC Chairperson
0823048018



Cllr Mmutle T.N
0825254223



Cllr Nduli M.E
0825254140



Cllr Mashifane H.S
0825260440



Cllr Phatlane A
0825254074



Cllr Matshipa M.P
0825254067



Cllr Tladi M.D
0825260053



Cllr Matsepe C.D
0823704233



Cllr Skosana J.J
0825255324



Cllr Maepa M.M
0823323179

2.2 Administrative Governance

Municipal Manager as the Accounting Officer of the municipality provides guidance to political office bearers and to all officials in the municipality. There is a good relationship between the Municipal Manager, administration and political office bearers. Every year there is a schedule of meetings that is approved by council, in order to ensure that all committees meet regularly to discuss administrative, performance and service-delivery issues. All administrative issues that need intervention of council are referred to council for resolution.

Municipality started the financial year 2012/2013 with three Section 56 vacant posts. Two posts were successfully filled during the course of the year, the post for Director Infrastructure and Chief Financial Officer. Filling of these vacant posts was a huge success as municipality struggled to attract suitable candidates for a long time. At the end of the financial year 2012/2013 the post for Director Corporate Services was re-advertised and the one for Director planning, the successful candidate was appointed and awaiting MEC's concurrence. The successful candidate will resume duty in the next financial year 2013/2014.

The administrative components of municipality comprises of seven (6) directorates and 27 managers as follows:

Table 2.2.1: information for EMLM management

Designation	Initial And Surname	Gender
Municipal Manager	Mrs. M Skosana	Female
Director strategic Management	Mr. M Kgware	Male
Director Corporate Services	vacant	N/A
Director Infrastructure	Ms T Komape	Female
Chief Financial Officer	Mr. M S Monageng	Male
Director Community Services	Mr. K E Tshesane	Male
Acting Director Development Planning	Mr. B.O Sethojoa	Male
Deputy Chief Financial Officer	Mr. R Palmer	Male
Legal Advisor	Ms O Nkoe	Female
Manager: Budget	Mr L. Sebelebetja	Male
Manager: Public Office Bearers	Mr. M M Mokganyetji	Male
Manager Assets	Mr. G Marshall	Male
Manager: Communications	Mrs M Burger	Female
Manager: Supply Chain Management	Mr M Mthimunya	Male
Manager Revenue	Mr B Mohlamme	Male
Manager: Hlogoflou	Mr. A Madiba	Male
Manager :Uitspanning	Mr. J Lepota	Male
Manager: Roosenekal	Mr. M F Mahlangu	Male
Manager: Motetema	Mr. C Masemola	Male
Manager: Electrical Maintenance	Mr. P Dreyer	Male
Manager: Human Resources	Mr. L. Mafiri	Male
Manager: Administration	Mr. G Ditshego	Male
Manager IT	Mr T. Mashaba	Male
Manager Environmental services	Ms M Mokhulwane	Female
Manager Expenditure	Mr. C Mtsweni	Male
Superintendent Roads Construction Unit	Mr. J Malaka	Male
Manager Traffic	Mr. C Coetzee	Male

Designation	Initial And Surname	Gender
Manager Roads	Mr. B Mkhonto	Male
Manager Licensing	Mr. D. Manzini	Male
Manager LED	Mr. M. Mathebe	Male
Manager IDP	Mr. J Motha	Male
PMU Manager	Mr H Mokgehle	Male
PMS Manager	Ms P Mdluli	Female
Electrical engineer	Mr K.K. Mametsa	Male
Chief Risk Officer	Mr K. Mathebe	Male

2.2.2 Below are faces for EMLM senior Managers



MS M.M. Skosana
Municipal Manager



Mr M.M. Kgwale
Director Strategic Management

Highest qualifications: BSC Honours Degree	Highest qualifications: B.Tech Degree (Commerce)
contact number: 0829498620	contact number: 0798790689
<i>Functions</i>	<i>Functions</i>
<ol style="list-style-type: none"> 1. Provides guidance and advice on compliance with political structures, political office bearers and officials of the municipality. 2. Acts with fidelity, honesty, integrity and in the best interest of the municipality, in managing its financial affairs. 3. Discloses to council and the mayor, all material facts available to the accounting officer 	<ol style="list-style-type: none"> 1. Manage performance management system. 2. Manage integrated development planning. 3. Manage communications.



Mr K.E. Tshesane
Director Community Services



Ms R.F Komape
Director Infrastructure

Highest qualifications:	Highest qualifications:
Bachelor of Educational Management	B Tech Civil Engineering
contact number: 0823327024	contact number:0824440532
<i>Functions</i>	<i>Functions</i>
1. Manage environmental services 2. Manage traffic law enforcement 3. Manage licensing services 4. Manage service delivery points	1. Manage roads, storm water and building maintenance 2. manage electrical and mechanical services 3. Manage project management unit



Mr O. Sethoja
Acting Director Development Planning



Mr M.S Monageng
Chief Financial Officer

Highest qualifications: Bachelors Degree in Urban and Regional Planning	Highest qualifications: Masters of Business Administration
contact number: 0820821222	contact number: 0877595131
<i>Functions</i>	<i>Functions</i>
<ol style="list-style-type: none"> 1. Manage development planning 2. Manage local economic development 3. Manage land use management 	<ol style="list-style-type: none"> 1. Administratively in charge of the budget and treasury office 2. Advice accounting officer on the exercise of powers and duties assigned to the accounting officer. 3. Assist the accounting officer with the administration of the municipality's bank account, and with preparation and implementation of the municipal budget. 4. Perform budgeting, accounting, analysis, cash management, debt management, supply chain management, and financial management

COMPONENT B INTERGOVERNMENTAL RELATIONS

2.3 Intergovernmental relations

2.3.1 District intergovernmental structures

EMLM has a good relationship with Sekhukhune district municipality and all local municipalities within the district. There are different forums conducted by district where officials and politicians from local municipalities are invited to participate. The structures are as follows:

Structures	Directorates	establishment
EXCO Lekgotla	Mayor and Municipal Manager	provincial
Municipal Manager's forums	Municipal Manager	provincial and district
IDP forums	IDP Manager	provincial and district
PMS forums	PMS Manager	provincial and district
LED forums	LED Manager	provincial and district

The above forums meet quarterly to discuss progress made on service delivery. The forums are facilitated by COGHSTA representatives and district officials. They are very fruitful forums, as members use this opportunity to share ideas and to learn from each other, in order to improve service delivery.

2.3.2 Provincial intergovernmental structures

EMLM has a good relationship with provincial structures, namely COGHSTA, the Premier's Office and the provincial treasury. The province coordinated various forums where it met with members from all municipalities in the province, in order to discuss service delivery issues. Members from COGHSTA, the Premier's Office and the provincial treasury also form part of those forums. The forums are:

- Provincial intergovernmental forum
- Premier/Mayor's forum
- Provincial monitoring and evaluation forum
- Provincial government communicators' forum.

The forums are very fruitful as any kind of question is clarified, and municipalities that lack capacity are identified and provided with all necessary support.

COMPONENT C PUBLIC ACCOUNTABILITY AND PARTICIPATION

2.4 Overview of public accountability and participation

Municipality uses different kinds of public participation, such as the Mayor's outreach, public meetings and IDP/PMS consultation, in order to promote the culture of accountability. Public participation has been conducted in all 30 wards during the IDP consultation where members of the community attended in large numbers to raise their service delivery needs and they were provided with feedback or progress about projects and objectives that are set in the IDP.

Community needs were incorporated in the IDP where they were prioritised based on the budget available. All Directors, Managers and other officials participated in this process in corporation with ward councillors and ward committees. The process of public participation has impacted positively on service delivery as municipality was given direction by community members as to what needs to be done for them. Municipality is accountable to its community and as the results there was a decrease in community protest during the year under review.

2.4.1 Communication, participation and forums

Communication is an important element of good governance. It is through communication that communities and other stakeholders are informed about the activities of the municipality, and thereby getting empowered to participate in the affairs of the municipality. EMLM Communities play a vital role to ensure accountability in municipal affairs.

Council account to the community through established ward committee system and scheduled IDP/Budget/PMS community participation processes. The community participation processes have entrenched a culture of involving communities in decision making processes during the process and finalization of the IDP/Budget/PMS. Communities are continuously informed on municipal governance, management and development through the usage of the local media, website, and council sittings.

There are different types of effective forums which assist in knowledge sharing to achieve set goals of municipality those forums are as follows:

- PMS forum
- IDP forum
- Budget steering committee

- forum

The forum holds meetings quarterly with high attendance rate to discuss service delivery issues and measures to improve performance. PMS and IDP forums are represented by Sekhukhune district municipal officials, local municipality's officials and provincial officials. Budget steering committee is represented by the Chairperson of Finance and all section 56 managers. Whatever decision is taken in those forums that affect community members, such decision are communicated to members of community through our communication channels .e.g. Financial status of municipality and performance of municipality

2.5 Public meetings

The purpose of these meetings is to give feedback and account to the community on the implementation of the IDP/Budget of the municipality. They are further utilized as a platform to agree on community needs. During the year under review 15 public meetings were held in different wards. All public meetings held were beneficial and minimum queries were raised by community members and those which are our municipal functions were clarified during the meeting e.g. electricity and refuse removal issues. Those issues raised which are not municipal function were referred to relevant sector departments and Sekhukhune district municipality.

PUBLIC MEETINGS									
Ward no	Nature and purpose of meeting	Date of events	Number of Participating Municipal Councillors	Number of Participating Municipal Administrators	Number of Community members attending	Issues raised by community	Issue addressed (Yes/No)	Dates and manner of feedback given to community	
01	Community meeting	22/03/13	01	01	366	Water, Sanitation and EPWP	Yes	11/06/13, Through community meetings	
02	Stakeholders forum	11/2/13	01	02	17	Sanitation	Yes	11/02/13	
03	Community consultation	21/4/2013	01	02	64	Water and none feedback	No	Through community meetings	
04	Community meeting	24/2/13	01	03	103	Water, unemployment, RD P Houses	Yes	Community consultation	
05	Launching of CPF	17/3/12	02	02	92	Water valve, jojo tanks and crime	Yes	21/4/12 through IDP consultation	
06	Ward committee	14/11/12	01	00	00	ID'S, Water, Food parcels and Learnerships	Yes	IDP Consultation	
07	Ordinary community	24/11/12	01	02	90	Electricity and water	Yes	IDP Consultation	

PUBLIC MEETINGS									
Ward no	Nature and purpose of meeting	Date of events	Number of Participating Municipal Councillors	Number of Participating Municipal Administrators	Number of Community members attending	Issues raised by community	Issue addressed (Yes/No)	Dates and manner of feedback given to community	
	meeting								
08	Ordinary community meeting	16/10/12	01	02	78	Water and Road	Yes	Community Meetings	
09	Community Meeting	05/06/12	02	01	109	Tavern (Rasta) and Electricity	Yes	Home Visit and in the meeting	
10	Ward committee meeting	20/02/12	01	00	00	RDP Houses and Water	Yes	Community Consultation	
11	NCOP	13/11/12	02	01	108	New grave side roads maintained	Yes	Community consultation	
12	Community Meeting	20/10/12	01	02	140	Water, Toilet and Electricity	Yes	Community Consultation	
13	none	none	00	00	00	none	No	none	
14	Sectoral Meeting	18/2/12	00	01	22	ID'S and RDP	No	Farm visit	
15	Ward committee meeting	20/10/12	01	01	11	RDP water road	No	Ward committee meeting	
16	Ward committee meeting	18/09/12	01	02	11	Appointment of CLO	Yes	Ward committee meeting	
17	Community Meeting	01/01/12	01	00	68	Razor Grader	Yes	Community consultation	
18	Ward	14/03/2013	00	00	10	Water, Electricity	Yes	Community	

PUBLIC MEETINGS									
Ward no	Nature and purpose of meeting	Date of events	Number of Participating Municipal Councillors	Number of Participating Municipal Administrators	Number of Community members attending	Issues raised by community	Issue addressed (Yes/No)	Dates and manner of feedback given to community	
	committee meeting					and Road from Monsterlus to Makgopheng		Consultation	
19	Community Meeting	19/11/12	01	02	93	Road and Water Project	Yes	Community Consultation	
20	Special Community Meeting	18/04/12	02	00	119	Road Construction, Naming of Street and By Laws	Yes	06/05/12	
21	Community Meeting	07/10/12	01	02	298	Road,Electricity,Education,RDP and EPWP Project	Yes	15/03/13	
22	Community Meeting	30/09/12	02	00	89	Water	Yes	Community Consultation	
23	Community Meeting	17/08/12	01	00	310	Wetland Project,Donga Project	Yes	Community Consultation	
24	Community Meeting	22/04/12	01	00	80	Water,Grader	Yes	Community Consultation	
25	Community Meeting	21/06/12	01	00	125	Water, Road and electricity	Yes	Community Consultation 10/07/12	
26	Community consultation meeting	06/04/2013	01	01	66	Water,job creation,paving of access roads,fencing of grave yards	yes	IDP consultation and community consultation	

PUBLIC MEETINGS								
Ward no	Nature and purpose of meeting	Date of events	Number of Participating Municipal Councillors	Number of Participating Municipal Administrators	Number of Community members attending	Issues raised by community	Issue addressed (Yes/No)	Dates and manner of feedback given to community
						and paypoint		
27	Community meeting	15/11/2012	01	00	115	Water, food parcels, electricity and RDP houses	yes	Community meeting
28	Community meeting	14/07/2012	01	00	146	water	yes	Community meeting
29	Community meeting	20/01/13	01	00	141	EPWP	yes	Community meeting
30	Community meeting	31/12/2013	01	00	23	Jobs and RDP houses	yes	Public participation meeting

2.6 IDP PARTICIPATION AND ALIGNMENT

IDP Participation and Alignment Criteria*	Yes/No
Does the municipality have impact, outcome, input, output indicators?	yes
Does the IDP have priorities, objectives, KPIs, development strategies?	yes
Does the IDP have multi-year targets?	yes
Are the above aligned and can they calculate into a score?	yes
Does the budget align directly to the KPIs in the strategic plan?	yes
Do the IDP KPIs align to the Section 57 Managers	yes
Do the IDP KPIs lead to functional area KPIs as per the SDBIP?	yes
Do the IDP KPIs align with the provincial KPIs on the 12 Outcomes	yes
Were the indicators communicated to the public?	yes
Were the four quarter aligned reports submitted within stipulated time frames?	yes

COMPONENT D: CORPORATE GOVERNANCE

Overview of corporate governance

EMLM has a code of conducts and policies in place that serves as guidance onto how to execute our functions in a responsive manner. These documents are applicable to everyone in the municipality, as they set out rules, laws, customs and culture of the municipality. All officials, together with political heads, work collectively, guided by policies to deliver efficient service delivery to communities in order to achieve the vision and goals of the municipality

2.7 RISK MANAGEMENT

EMLM has the risk management unit in place which it became functional for the first time during the year under review. Two officials were appointed to ensure effectiveness and transparency in the municipality. Strategic risk register and operational risk register was developed and approved by Audit committee and also the council .Draft Anti-fraud and corruption strategy was developed to combat fraud and corruption within the municipality. At the end of the financial year, the strategy was not approved by audit committee. It will serve in audit committee in the next financial year. Currently there is no risk management committee in place. For the financial year under review no fraud and corruption was reported.

2.8 SUPPLY CHAIN MANAGEMENT

Municipality has SCM policy in place to minimize opportunities for fraud and corruption. There are SCM committees in place that are reviewable annually to ensure value for money in awarding of tenders. For the year under review 14 tenders were awarded.

Information of SCM committees

Description	Number of meetings	members of the committee	functions
Bid specification committee	11	05 officials	Compiles the specifications for the procurement of goods and services by the municipality
Bid Evaluation committee	15	01 Director and 04 managers	Evaluates bids and recommends to the bid adjudication committee, regarding the award of the bid.
Bid Adjudication committee	14	all Directors	Consider the report and recommendations of the bid evaluation committee and depending on its delegations, make a final award or a recommendation to the accounting officer to make the final award or makes further recommendation to the accounting officer on how to proceed with relevant procurement of goods and services

2.9 WEBSITE

A municipal website should be an integral part of a municipality's communication infrastructure and strategy. If managed effectively, it allows easy access to relevant municipal information, it serves as a tool for community participation, improves stakeholder involvement and facilitates stakeholder monitoring and evaluation of municipal performance. The municipal website is www.eliasmotsoaledi.gov.za. Municipality's website is available and functional to assist members of the community and fellow South Africans to access municipal information easily. The website officer has been appointed to ensure that the website is always updated, functional and user friendly.

2.10 AUDIT COMMITTEE

EMLM has audit committee in place which consist of 05 members. During the year 2012/2013, 02 audit committee members resigned Ms F J Mudau and Mr B Mohlamme. Their resignation left the committee with 03 members by the end of the financial year. The vacant posts for 02 members were advertised and interviews were conducted but no appointments were made by the end of the financial year. The appointment of audit committee members has been a significant achievement for the municipality. The committee renders their services in terms of Section 166 (Act 56 of 2003) of MFMA. During the year under review 04 ordinary audit committee meeting and 06 special audit committee meetings took place.

Audit Committee members are:

Surname and initials	Gender
Advocate: Kholong, T.S,(chairperson)	male
Advocate: Nke, R,	male
Gafane, T.	male
Mudau F J	Female
Mohlamme B	Male

Audit committee members took the following recommendations:

2.10.1 Operational and Financial Reports

That a project management approach be adopted by management in dealing with AG queries. Strategic positions such as that of the Chief Financial Officer be urgently filled. The capacity of the internal audit unit be urgently built by the municipality to assist the municipality in improving controls before external audit processes.

2.10.2 Information Communication Technology

That the ICT governance and control environment be urgently improved by management especially as recommended by the Auditor general.

2.10.3 Second Quarter Institutional Performance Report.

Performance agreements should be finalized for Acting Directors with respect to departments they are responsible for in an acting capacity to engender accountability. Panel of Attorneys must be put into place to avoid the risk of non-compliance with the supply chain management regulations in the procurement of legal services. There must be better contract management of Consultants assisting the CFO and the municipality.

2.10.4 Annual Report 2011/2012 and Audit Action Plan.

That there must be better contract management of Consultants assisting the CFO and the municipality.

2.10.5 Revenue

That strategy must be devised by management including targeting and segmentation of debtors to improve collection.

2.10.6 Debt Management

That debtors from the old system be assessed and where appropriate recommendation to Council be made to write-off such irrecoverable debts. Action plan by management be developed to address debt collection.

2.10.7 Quarterly Risk Assessment Reports

That the strategic risk register must be aligned with the objectives set out in the IDP and the SDBIP.

CHAPTER 3

SERVICE DELIVERY

COMPONENT A: BASIC SERVICES

3.1 ELECTRICITY

Municipality provide free basic electricity to indigents families. During the year under review municipality targeted 1000 households to receive free basic electricity and only 800 households benefited. EMLM is licensed to provide electricity in two wards which is Groblersdal and Roosenekaal towns only at 20MVA and 5MVA respectively. All other 28 wards are Eskom licensed areas. This lead to low rate of revenue collection as electricity is the main source of revenue collection in the municipality. 96% of the municipality has access to electricity. Municipality has a backlog of 4% - which is due to lack of bulk capacity and budget constraints. Limited capacity of the Eskom grid limits acceleration of electricity connections to more households in the municipal area. Illegal connections remain a threat to expanding access of electricity to all residents and communities.

Table 3.1.1: information for employees in electricity unit.

Employees: Electricity Services					
Job Level task grades	2011/12	2012/13			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	0				
4 - 6	04	06	04	02	33%
7 - 9	02	02	02	0	0%
10 - 12	04	05	04	01	20%
13 - 15	01	01	01	0	0%
16 - 18	01	01	01	0	0%
Total	12	15	12	03	20%

3.2 WASTE MANAGEMENT

During the year under review municipality was able to extend waste removal to Elandsdoorn, Tambo square and Walter Sisulu township which increases the number of households provided with waste removal from 9331 to 9578 as compared to financial year 2011/2012. Provision of waste removal services is found mainly in the Groblersdal, Roosenekaal, Hlogotlou, Motetema and Elandsdoorn areas. The service is provided once per week in all areas. Municipality has two licensed landfill site and one transfer station. Roosenekaal landfill site is well managed and community members pay for dumping waste as compared to the one in Groblersdal and Hlogotlou.

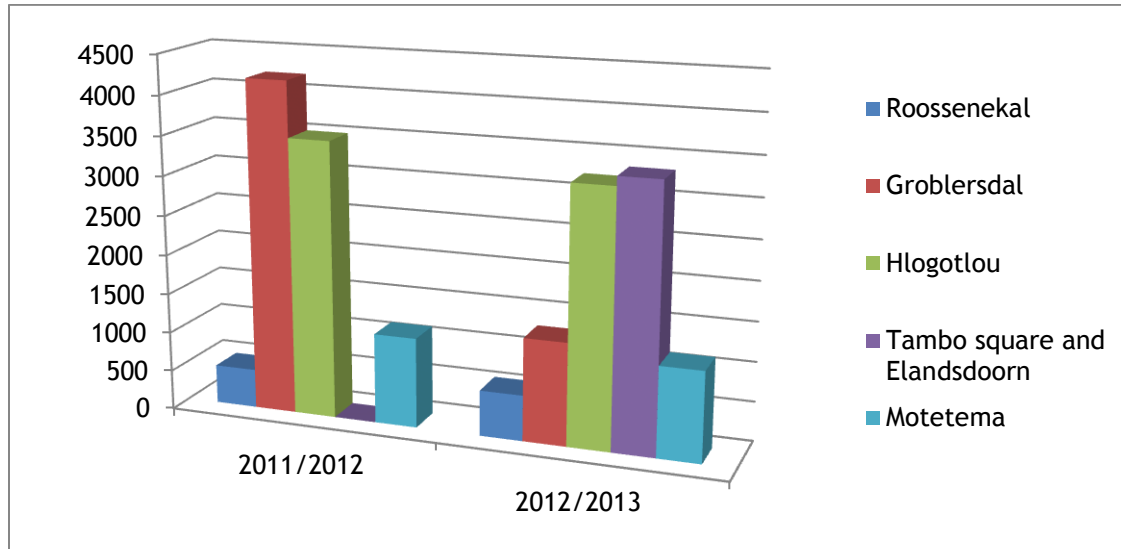
The extension it's been a great success for the municipality as it was one of the municipal priorities. 2000 households in rural areas (Tafelkop) receive waste removal service at least once a week, via skips bins which were distributed and placed at strategic places accessible to community members. During the year under review 10 skips were purchased and distributed to rural areas to reduce huge number of illegal dumping. 01 skip loader truck was purchased to collect skips that are located at strategic points in rural areas once per week. During the financial year 2011/2012 this service was outsourced as the municipality had no skip loader truck in place.

Illegal dumping remains a concern to the Municipality given the extent of the damage to the environment and possible health hazards that may result from lack of waste removal services. Municipality supported two cleaning campaigns initiated by community members at Tafelkop and Elandsdoorn. Municipality provides street cleaning service seven times a week which is outsourced and the service is limited only to Groblersdal and Roosenekaal town. Municipality obtained third position in Sekhukhune District Greenest municipality competition.

Table 3.2: level of service for households.

Service Area/Suburb	Collection Day	Number of households	
		2011/2012	2012/2013
Roosenekal	Monday & Thursday	492	578
Groblersdal	Tuesday & Thursday	4199	1300
Hlogotlou	Wednesday & Friday	3499	3220
Tambo square &Elandsdoring Township	Wednesday & Friday	0	3338
Motetema	Tuesday	1141	1142
TOTAL		9331	9578

Graph 1:



Eight skip bins are distributed in Groblersdal town and Motetema to reduce illegal dumping as follows:

Table 3.3: distribution of skips

Area	Number of containers
Capitec passage	1
Motetema	2
Tautes street	1
Canal Street next to Taxi rank	2
Van - riebeeck	2
Tafelkop	3
Sephaku next to the Library	2
Moteti along the main road	1
Luckau	1
Waalkraal	2

Table 3.4 Employees for Solid Waste Management Services

Employees: Solid Waste Management Services					
Job Level task grades	2011/12	2012/13			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
4 - 6	12	58	12	46	79.3%
7 - 9	07	10	07	03	30%
10 - 12	01	03	01	02	67%
13 - 15	01	01	01	0	0%
19 - 20	01	01	01	0	0%
Total	22	73	22	51	

3.3 FREE BASIC SERVICES AND INDIGENT SUPPORT

EMLM has an indigent policy in place which outlines qualifications to be registered as an indigent. During the financial year 2011/2012 municipality has approved the indigent register of 6207 families. Free electricity is the only benefit that municipality provides to indigents families. Out of 6207 indigents registered, only 1131 beneficiaries were configured by Eskom to qualify for free basic electricity. During the year under review 800 households benefited from free basic electricity. Municipality provides free basic electricity to both Eskom- and municipal-licensed areas. The current collection varies from month to month as not all the indigent's collect their free token. Municipality budgeted R350 000.00 for free basic electricity and the expenditure amounted to R270 000.00.

Graph 2:

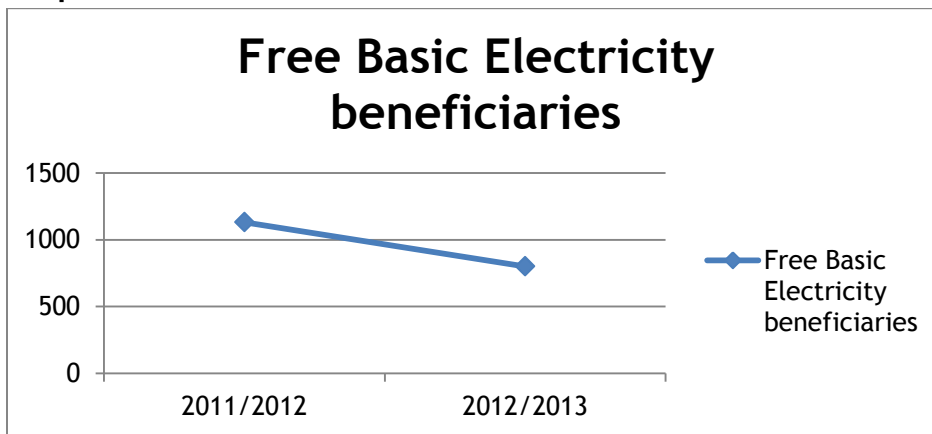


Table 3.5: Financial Performance 2012/13: Cost to Municipality of Free Basic Services Delivered.

Financial Performance 2012/13: Cost to Municipality of Free Basic Services Delivered					
Services Delivered	2011/12	2012/13			
	Actual budget	Adjustment Budget	Actual budget	Adjustment Budget	Variance to Budget
Electricity	R287, 865	R0.00	R319 617.00	R0.00	R0.00
Waste Management (Solid Waste)			R0.00	R0.00	R0.00
Total	R287, 865	R0.00	R319 617.00	R0.00	R0.00

COMPONENT B: ROAD TRANSPORT

3.4 TRANSPORT OVERVIEW

In EMLM there is only one mode of transport: road transport. Communities depend on buses, taxis and their own cars for transport. There is one company of buses within the municipality, namely Great North Transport. Most community members depend on buses as they are the cheapest mode of transport. Few community members depend on taxis as a mode of transport, and very few depend on their own cars for transport.

Buses are available in all 30 wards to transport people, and most of the community rely on bus services, because buses access more remote areas as compared to taxis, that use only main roads. The service of the Great North Buses is available the whole day, for the entire week. There is also one PUTCO bus that transports people, but only from Groblersdal to Pretoria. This service is available only in the morning and afternoon, and helps many of our community members, as they travel to Pretoria more cheaply than in taxis. Municipality has no transport master plan in place. Municipality has no road master plan in place.

3.4.1 PERFORMANCE OF ROADS

Municipality has two roads divisions (maintenance and road construction) 04 roads consisting of 8.25 kilometres were constructed during the year under review, only MIG approved roads were constructed. 8.25km kilometres of road were constructed in the financial year 2012/2013 and 17.2 kilometres during financial year 2011/2012. At the end of the financial year all 04 roads construction were completed and there was no rolled over project as compared to financial year 2011/2012 where 05 projects were rolled over to financial year 2012/2013.

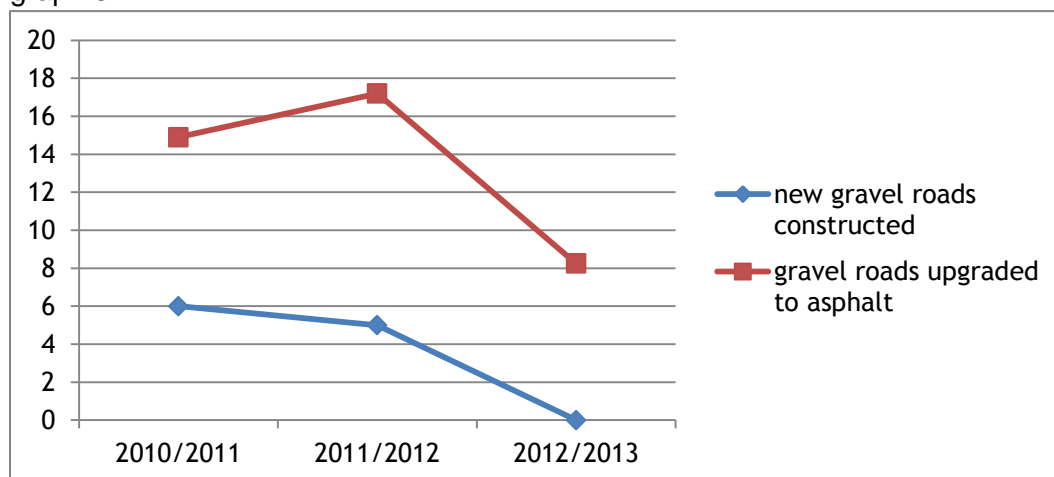
All 2011/2012 rolled over projects were completed within the second quarter of the financial year 2012/2013. 792m² of potholes were repaired and 26 road signs were replaced. The state of municipal roads has deteriorated due to limited routine and preventative maintenance. Road division has a register in place where ward councilors register road that needs emergency gravelling especially in case of funerals. Emergency blading is usually done on Thursdays and Fridays.

The long term strategy of the Municipality is to surface roads within the municipal area. Based on highroad backlog different strategies are implemented, including preventative maintenance of the road Infrastructure. To improve accessibility to villages, 21.3km has been regravelled and 230m of storm water channels was cleaned and repaired. No provincial road was delegated to municipality during the year under review.

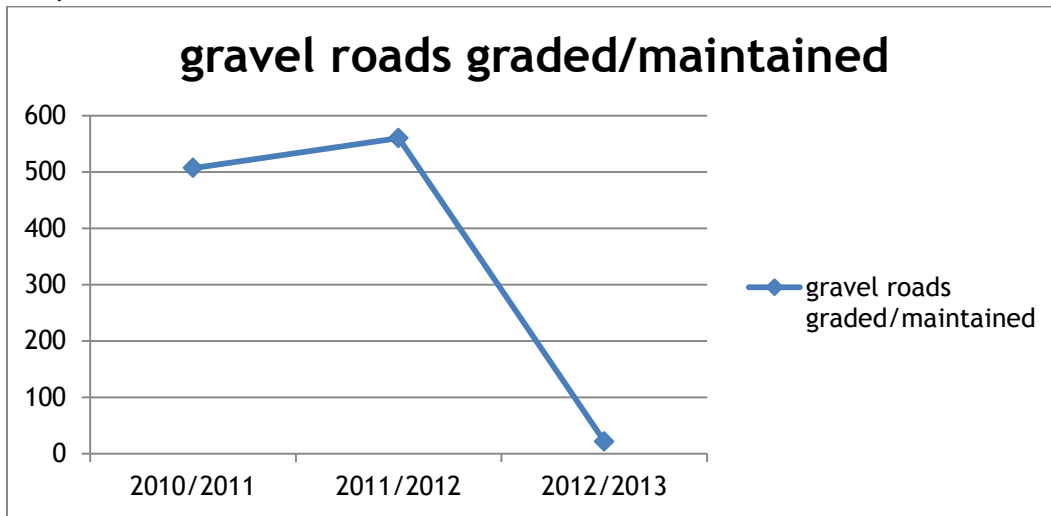
Table 3.6: gravelled and asphalted roads

Gravel Road Infrastructure					
	Kilometres				
	Total gravel roads	New roads gravel constructed	Gravel roads upgraded to asphalt	Gravel roads graded /maintained	
2010/11	1367km	5km	14.9km	507km	
2011/12	1352km	6 km	17.2 km	560km	
2012/13	1343.75 km	0km	8.25km	21.3 km	
Asphalted Road Infrastructure					
	Kilometres				
	Total roads (backlog)	New asphalt roads	Existing asphalt roads re-asphalted	Existing asphalt roads re-sheeted	Asphalt roads maintained
2010/11	1367km	14.9 km	0km	507km	1367km
2011/12	1352.1km	17.2km	2km	560km	1352km
2012/13	1334.9km	8.25 km	0km	0km	0 km

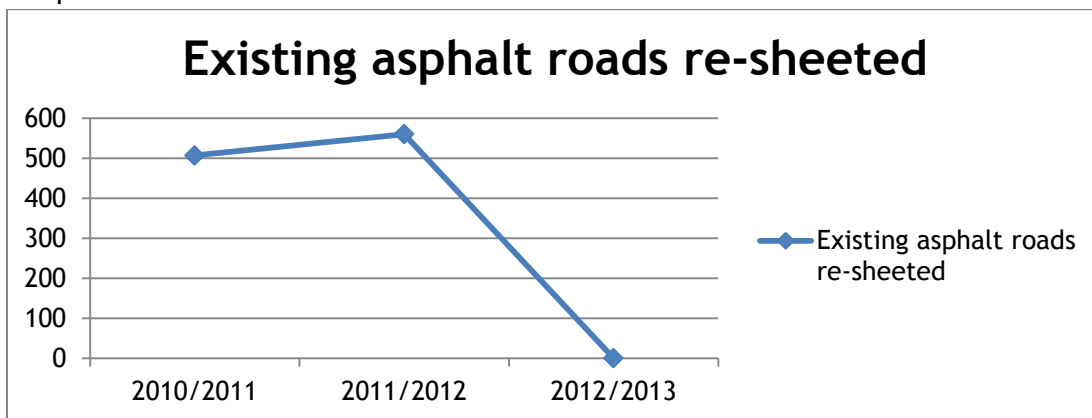
graph 3



Graph 4:



Graph 5:



Graph 6

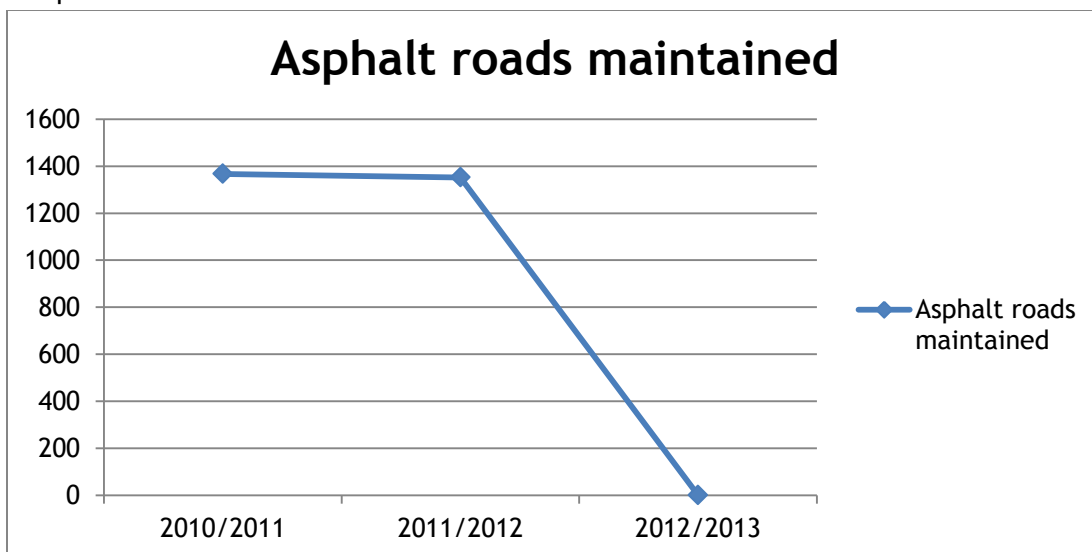


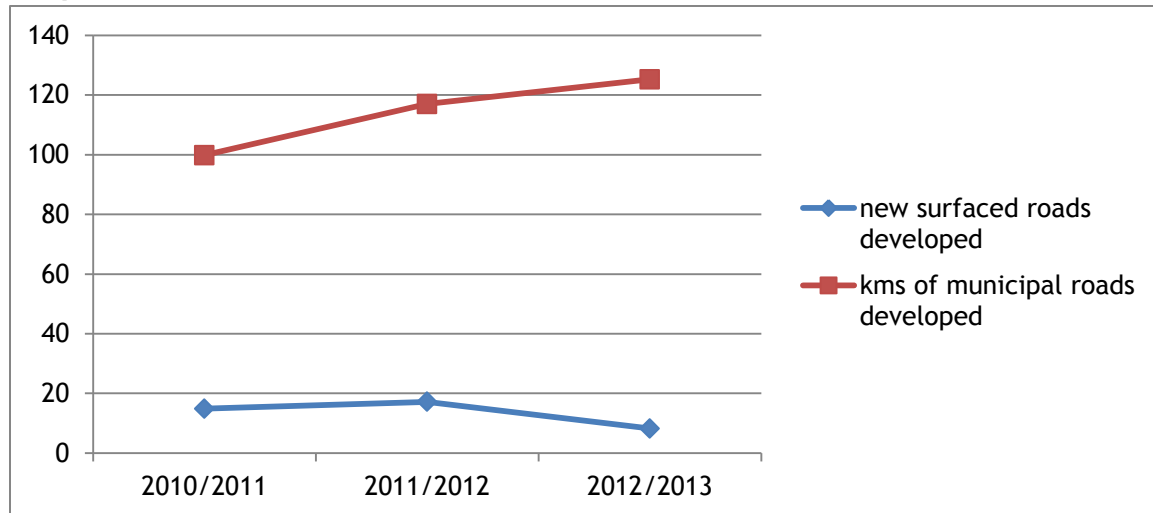
Table 3.7: employees for roads and stormwater services

Employees: Roads and stormwater services						
Job Level task grade	2011/12	2012/13				
	Employees	posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)	
	No.	No.	No.	No.	%	
4 - 6	23	72	23	49	68.1%	
7 - 9	01	05	01	04	80%	
10 - 12	0	02	0	02	100%	
13 - 15	2	02	02	0	0%	
Total	26	81	26	55	67.9%	
Capital Expenditure 2012/13: Road Services						
R' 000						
Capital Projects	2012/13					
	Budget	Adjustm ent Budget	Actual Expenditure	Variance from original budget	Total Project Value	source of funding
Total All						
Nyakelan g public route upgrade phase 3	R11 792 374.96	R0.00	R11 792 374.96	R0.00	R11 792 374.96	MIG funding
Tourism Informati on centre		R0.00	R 0.00	R0.00	R0.00	MIG funding
Roads to Magoshi	R1,500 000.00	R0.00	R1,500 000.00	R0.00	R1,500 000.00	MIG funding
Zaaiplaas road (police station road) phase 3	R5,665 000.00	R0.00	R5 648 947.40	R 16,052.60	R5 648 947.40	MIG funding
Ramogwe rane phase 5	R19,277 000.00	R0.00	R19,277 000.00	R0.00	R19,277 000.00	MIG funding

Table 3.8: DEVELOPMENT OF MUNICIPAL ROADS

Development of municipal roads as required	new surfaced roads developed	km of municipal roads developed
2010/11	14.9km	99.8km
2011/12	17.2km	117km
2012/13	8.25km	125.25km

Graph 7



3.4.2 MUNICIPAL INFRASTRUCTURE GRANT EXPENDITURE

Table 3.9 : municipal infrastructure grant expenditure

Municipal Infrastructure Grant (MIG)* Expenditure 2012/13 on Service backlogs R' 000						
Details	Budget	Adjustment Budget	Actual	Variance		Major conditions applied by donor (continue below if necessary)
				Budget	Adjustment Budget	
Infrastructure - Road transport						
Roads, Pavements & Bridges	R35,223,000.00	R0.00	R35,223,000.00	0	0	0
Storm water						
Infrastructure - Electricity						
Generation						

<i>Street Lighting</i>						
Infrastructure - Other						
<i>Transportation</i>						
<i>Gas</i>						
Other Specify:						
EPWP	R1,000.000.00	R0.00	R1,000.000.00			
Total	R36,223,000.00		R36,223,000.00			

COMPONENT C : PLANNING AND DEVELOPMENT

3.5 Planning overview

The Department of Planning consists of two units which are planning inclusive building and local economic development. The department is responsible for land use, land management and local economic development, within the jurisdiction of the municipality. The Town Planning and Building division is responsible for this function, and for the provision of strategic direction regarding the spatial planning of towns, and R 293 and 188 areas in EMLM. Below are all approved applications for the financial year 2012/2013:

Table 3.10: approved land applications

DESCRIPTION	APPROVED
Proposed consolidation of erven 736, 737 & 738 & subsequent subdivision of the consolidated erf of the Groblersdal extension 11 as per provision of section 92(1) of ordinance (15:1986)	✓
Proposed written consent application as per provision of the Groblersdal town planning scheme (2006), clause 17, erf 753, Groblersdal extension 11	✓
Proposed Removal of restrictive conditions and rezoning: portion 1 of erf 319 Groblersdal Extension 2	✓
Proposed special consent: Erf 1051, Hlogotlou Unit A	✓
Proposed removal of restrictive conditions and rezoning erf 351 Groblersdal Extension 2	✓
Proposed removal of restrictive conditions and rezoning, portion 1 of erf 71, Groblersdal	✓
Proposed special consent application, erf 484 Groblersdal extension	✓
Proposed removal of restrictive conditions & simultaneously rezoning in accordance to the removal of restrictions act (84:1967): r/319 Groblersdal, extension 2	✓
Proposed special consent application in accordance to clause 17 of the Groblersdal Town Planning Scheme (2006), Erf 295 Extension 2	✓
Proposed rezoning of Erf 98 & 100, Roossenekal & subsequent	✓

DESCRIPTION	APPROVED
consolidation & subdivision in accordance	
Proposed formalisation, Farm Brakfontein 187JS	✓
Proposed application for removal of restrictions & simultaneous rezoning, Portion 1 of Erf 64 in accordance to the Removal of Restrictions Act (84:1967)	✓

EMLM has the following opportunities and challenges:

Opportunities

- Agriculture potential
- Is a provincial growth point
- Is a host to strategic roads, i.e. the R25.

Challenges

- Mushrooming informal settlements
- Insufficient housing (R295 and towns)
- Insufficient infrastructure in Groblersdal and Roossenekal
- Strategically located piece of land is still registered under the Nkangala District Municipality.

Table 3.11: applications for land use development

Applications for Land Use Development						
Detail	Formalisation of Townships		Rezoning		Built Environment	
	2011/12	2012/13	2011/12	2011/12	2011/12	2012/13
Planning application received	3	0	67	43	0	0
Applications withdrawn	0	0	0	0	0	0
Applications outstanding at year-end	7	07	0	0	0	1

Table 3.12: employees for planning services

Employees: Planning Services					
Job Level	2011/12	2012/13			
	Employees (No)	Posts (No)	Employees (No)	Vacancies fulltime equivalents (No)	Vacancies (% of total posts)
7 – 9	2	2	1	1	50%
10 – 12	1	1	1	0	0
13 – 15	1	1	1	0	0
16 – 18	1	1	1	0	0
Total	5	5	0	1	0.2

3.6 LOCAL ECONOMIC DEVELOPMENT

Municipality has LED strategy that it is outdated and it was difficult to implement it. Internally there is no capacity to review it therefore we need to appoint a service provider to assist with the review. At the end of the financial year the strategy was not reviewed as there was enough budget to appoint a service provider. In the next financial year 2013/2014 the budget for the review of the strategy will be prioritised.

3.6.1 TOURISM AND CORPORATIVES

During the year under review, municipality supported 03 poultry corporative namely Nala poultry, Bopasenatla corporative and Vukaninisebenze poultry with production inputs. Broachers for all accommodations within EMLM were developed and distributed throughout Limpopo province through Limpopo tourism agency and also at the annual Durban tourism indaba to attract both domestic and international market.

3.6.2 MARKETING

Municipality hosted 03 flea markets in Moutse Mall funded by LEDET where local SMME's were invited to exhibit their products for marketing. Municipality in partnership with LEDA and Sekhukhune district municipality conducted business expo to showcase or exhibit SMME's product in order to access market and 17 SMME's participated in this event. The event benefited 02 black local owned guest houses (Ephepia in Motetema and Sedupe sa Kopa in Tafelkop) as exhibitors were accommodated in those guest houses for two days. Also one company benefited for rendering catering services in this event for two days.

3.6.3 POVERTY ALLEVIATION

Mapochsmine in Roosenekaal implemented two social and labour projects for community members. One of the projects is the nursery where 17 permanent jobs were created and those people are also shareholders in that project. The aim of the project was to rehabilitate the mine using the same plants from the nursery. The mine identified 11 families in Makwana village as poverty alleviation and constructed hydro-phonics for them to plant vegetables for their consumption. Those families are well sustained and sell those vegetables to community members.

Job creation through EPWP* Projects		
	EPWP Projects	Jobs created through EPWP Projects
Year	No	No
2010/11	0	0
2011/12	3	656
2012/13	11	371

Economic Employment by SectorJobs		
Sector	2011/12 (No)	2012/13 (No)
Agriculture, forestry and fishing	34 contract jobs	0
Mining and quarrying	0	17 permanent jobs
Manufacturing	0	0
Wholesale and retail trade	0	0
Finance, property, etc.	0	0
Government community and social services	0	0
Infrastructure services	0	0
Total	34	17

Employees: Local Economic Development Services				
Job Level	2012/13			
	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	%
4 – 6				
7 – 9				
10 – 12	2	1	1	50%
13 – 15	1	1	0	0%
19 – 20				
Total	3	2	1	33%

COMPONENT D : COMMUNITY AND SOCIAL SERVICES

3.7 Libraries

The Municipality operates library services in Groblersdal and Roosenekal town only. The service will be extended to Sephaku village in the next financial year as the department of Sports, Arts and culture has constructed a library to improve the culture of learning within the municipality. At the end of the financial year 2012/2013 the library was complete but not operational as it was not opened for public usage. Vast areas in the municipality remain un-serviced and this is problematic as literacy levels in the un-serviced areas are very low.

Below are library activities that took place:

Activity	Number of people
Registration of members	111
Number of people entering the library	16342
Circulation of books (issued)	18933
Information service: enquiries	8523
Internal use	7001
Number of assignments	1028

3.7.1 Library week

Library week was held in March 2013, where library staff visited 8 schools and 150 learners attended the session. The purpose of the session was to promote library services and to encourage learners to visit Groblersdal library for information accessibility.

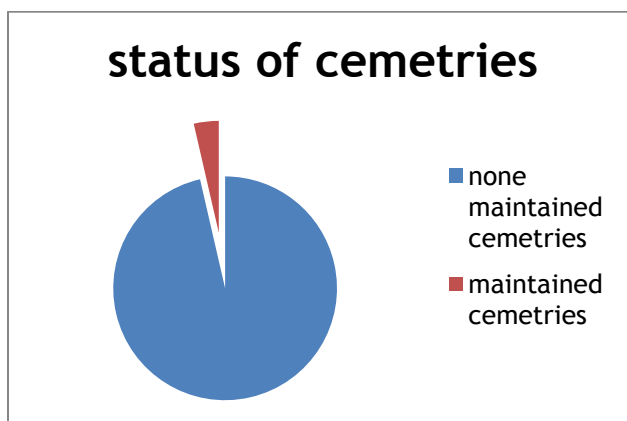
The following schools were visited:

Name of school	Number of learners	Grade
Kenneth Masekela primary	112	7
Matsepe primary	87	7
Sokali primary	54	5
Njinga Sindane primary	67	7
Gromma	56	6 & 5

Employees: Libraries					
Job Level task grades	2011/12	2012/13			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
4 - 6					
7 - 9					
10 - 12	03	06	03	03	50%
16 - 18					
Total	03	06	03	03	50%

3.8 CEMETERIES

The municipality has a total number of 107 cemeteries and only 04 of them are well maintained which are: Groblersdal, Roosenekaal, Motetema and Hlogotlou. In these areas, the municipality prepares graves for community members, who in turn pay for the services rendered whereas in rural areas community members dig their own graves. Cemeteries in rural areas are without fencing and ablution facilities due to financial constraints. Elandsdoorn cemetery is full to capacity, new site has been identified and EIA studies have commenced.



3.9 SAFETY AND SECURITY

3.9.1 Traffic

Municipality provides traffic services to enforce road traffic laws and promoting free flow of traffic. The service is limited only to Groblersdal and Roosenekaal town and other areas rely on the service provided by the province. Municipality works jointly with the province during busy times such as Easter holidays and Christmas holiday to manage traffic flow. 26 arrive alive campaigns were conducted to educate community members about law enforcement.

3.9.2 Licensing

Municipality provides licensing services with the total number of 14 officials. During the year under review there was an upgrade of licensing service from manual writing of learners' license to electronic writing of learners' license called license pro. The upgrade was initiated by department of transport. The upgrade of the system has affected the application for learners licence negatively as the number declined. The major reason for the decline was the level of computer literacy among community members more especially to elderly people as compared to youth. Most of community members travelled to other municipalities where they still use manual system to obtain learners licence. During the course of the financial year, community members got used to the system and they are now utilising the system without challenges. The service is quicker, fair and user friendly.

The table below provides licensing service data over the past two financial years:

Description	2011/2012	2012/2013.
number of learners application received	2711	1867
number of learners writing learners exam per day	1238	739
number of learners licence passed	1014	990
number of learners licence failed	45	61
number of withdrawals	414	77

COMPONENT I : CORPORATE POLICY OFFICES AND OTHER SERVICES .

3.10 HUMAN RESOURCE SERVICES

At the beginning of the financial year 2012/2013 municipality had employed 265 employees with the total of 102 vacancies. Municipality filled 22 vacant posts during the year under review including the appointment of the Chief Financial Officer and the Director Infrastructure. Municipality also managed to appoint audit committee members. The filling of those two critical

posts and appointment of audit committee it's been a huge achievement for the municipality. The other achievement was the retention of electrical engineer who was counter offered in order to remain with the municipality. The municipality has succeeded in retaining 98% of the workforce.

3.11 INFORMATION TECHNOLOGY

EMLM has ICT unit in place with the total number of 07 officials. ICT unit is responsible for running daily, weekly, monthly data and backups. It ensures that municipal website is always functional and to provide user support. During the year under review ICT unit eradicated the manual leave application and introduced the electronic system called employee self-service system (ESS). The ESS system is quick, user-friendly and cost saving in the sense that municipality no longer procures leave books. Employees can access their payslips, IRP5 and the balance of their leave days on the system.

The advantage is the system is that employees are able to forward their salary related queries to HR before the payday so that the problem can be sorted before they get paid unlike previously where salary related queries were raised during payday. There is a helpdesk where all IT related queries are forwarded through emails and Technicians will respond to those queries in sufficient time.

ICT unit ensures that network is always available to all municipal applications such as Munusoft, emails, internet, payroll system and leave system for efficient and effective service delivery. The unit also introduce VPN connections for Managers and Directors as their duties are flexible so that they can be able to access municipal server at all times when they are out of the office for them to be able to perform their duties even at home or on weekends. Officials who have municipal cell phones are able to receive municipal emails via their cell phones through VPN system.

Employees: ICT Services (how many employees on the listed task grades and vacancies)				
Job Level	2012/13			
	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	%
0 - 3				
4 - 6	1	1	0	0%
7 - 9				
10 - 12	5	5	0	0%

Employees: ICT Services (how many employees on the listed task grades and vacancies)				
Job Level	2012/13			
	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	%
13 - 15	1	1	0	0%
19 - 20				
Total	7	7	0	0%

Capital Expenditure 2012/13: ICT Services					
R' 000					
Capital Projects	2012/13				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All					
IT Master System Plan	R 1000,000.00	R0.00	R1 000,000.00	R0.00	R1,000,000.00
(IT Network Support & Maintenance)	R 1,900,000.00	R 1,000,000.00	R2,900,000.00	R1,900,000.00	R5,780,000.00

3.12 LEGAL

3.12.1 LITIGATION

The following is the list of legal matters that were instituted against the municipality, which were pending during the financial year 2012/2013:

No.	COURT DATE OF ISSUE	PARTIES	BACKGROUND	AMOUNT CLAIMED	AMOUNT SPENT TO DATE	PROSPECTS OF SUCCESS
1.	High Court Pretoria 12 January 2011	Rocco's industrial Supplies is the Plaintiff and EMLM/ A.F Sepokwane and Lotshephe Development Engineers are Defendants	Plaintiff claims for goods delivered and unpaid. Application for summary judgement was opposed by EMLM successfully with a costs order	R426 103.96	R205 942.36	EMLM has a good defence against the Plaintiff's claim hence the judgement was in favour of EMLM on the summary judgement
2.	High Court Pretoria 29 May 2011	Mariana Stofberg is Plaintiff and EMLM is Defendant	Plaintiff claims for injuries sustained as a result of falling in a pit (which in not more than 7cm in depth and not longer than 20cm) in town	R632 904.70	R105 861.76	The Plaintiff's claim is not consistent with the pit she alleges to have fallen into. In September 2012 when the case was set down for trial, Plaintiff requested postponement <i>sine die</i> with wasted costs to EMLM. We are waiting near trial date.

No.	COURT DATE OF ISSUE	PARTIES	BACKGROUND	AMOUNT CLAIMED	AMOUNT SPENT TO DATE	PROSPECTS OF SUCCESS
3.	High Court Pretoria 20 May 2011	Maqawe Construction is the Applicant and EMLM and Leko Consultants are Respondents	Applicant seeks an order for the payment of money being for services rendered. Application is opposed since it is unacceptable; Applicant has not filed any documents since July 2011	R3 372 208.00	NIL	Level of risk is minimum. Applicants have filed a defective application, and have failed to attach annexures they referred to in their documents
4.	High Court Pretoria 2005	EMLM is Appellant and Frederick Ignatius Maree is Respondent	EMLM lodged an appeal against a magistrate court judgement in Groblersdal; which appeal was successful and Respondent appealed against the judgement unsuccessfully and has approached the municipality for a settlement outside court	undetermined	More than R300 000 Actual amount cannot be verified because this matter is more than 7 years old.	The legal costs incurred in the matter is huge, and can be prevented if a settlement agreement is reached with the opponent

No.	COURT DATE OF ISSUE	PARTIES	BACKGROUND	AMOUNT CLAIMED	AMOUNT SPENT TO DATE	PROSPECTS OF SUCCESS
5.	Magistrate Court Groblersdal 12 April 2012	Buffalo Inn Accommodation CC is the Plaintiff and EMLM and BS Skosana are Defendants	Claim for motor vehicle damages defended through Mphela & Associates.	R38 856.51	NIL	The municipality will on finalisation of the matter recover what so ever costs it is incurring now if the court will find the driver of the municipal vehicle, Mr. Skosana to have because the Plaintiff's damages as the sum of R38 856.51 plus legal costs.
6.	Magistrate Court Middelburg 05 September 2011	Maboe Rachidi is the Plaintiff and EMLM; Collen Coetzee and Melinda Marshall are Defendants	Claim for damages for contumelia, assault and loss of dignity	R300 000.00	R25 190.00	The municipality is a joint party because the alleged claimed rose during the cause of employment. The municipality will be in a position to claim its looses from employees if judgement is in favour of the Plaintiff

No.	COURT DATE OF ISSUE	PARTIES	BACKGROUND	AMOUNT CLAIMED	AMOUNT SPENT TO DATE	PROSPECTS OF SUCCESS
7.	Magistrates Court Groblersdal 29 October 2012	Plaintiff is M.K Skhosana and EMLM is Defendant	EMLM is being sued for negligence and loss of income	R81 900.00	NIL	The case is being defended. Our present investigations shows that the culprits in this matter are provincial traffic officers, and EMLM is sued here as a mistaken identity.
8.	Magistrates Court Groblersdal 29 October 2012	Plaintiff is L.Z Skhosana and EMLM is Defendant	EMLM is being sued for defamation of character, depravation of freedom and contumelia after Defendant was allegedly wrongfully arrested	R100 000.00	NIL	The case is being defended. Our present investigations shows that the culprits in this matter are provincial traffic officers, and EMLM is sued here as a mistaken identity.
9.	Magistrates Court Moutse 05 December 2012	Plaintiff is Oupa Nkosi and EMLM is Defendant	EMLM is sued in its capacity as employer Mahlangu, a driver of municipal vehicle; for damages Plaintiff's vehicle	R81 887.85	R629.28	The case is being defended. Our present investigations shows that the culprits in this matter are provincial traffic

No.	COURT DATE OF ISSUE	PARTIES	BACKGROUND	AMOUNT CLAIMED	AMOUNT SPENT TO DATE	PROSPECTS OF SUCCESS
						officers, and EMLM is sued here as a mistaken identity.
10.	Magistrates Court Groblersdal 11 February 2013	Applicant is H.M Phaahla and Respondents are M.M Mtsweni, W Matemane and E Masemola	Application is brought by Applicant to interdict Respondents on interviewing and appointing for post of Director Corporate	NIL	R23 000.00	Application was withdrawn by Applicant.
11.	Magistrates Court Groblersdal 14 January 2013	Plaintiff J.M Magolego And EMLM Defendant	EMLM is sued in its capacity as employer to T Skhosana a traffic official for issuing a spot fine.	R 100 000.00	R629.28	The municipality is being sued for damages as a result of defamation, wrongful detention and contumelia. Alleged wrongful conducts were done by Traffic Officer T Skhosana and Warrant Officer Mashabele. The merits of the case have not been accessed as yet.

No.	COURT DATE OF ISSUE	PARTIES	BACKGROUND	AMOUNT CLAIMED	AMOUNT SPENT DATE TO	PROSPECTS OF SUCCESS
12.	Magistrates Court Nebo 14 June 2013	Plaintiff is Oupa Mahlangu and EMLM is Defendant	The municipality is being sued for services rendered by Plaintiff on agreement made with a junior official.	R116 280.00	NIL	The services rendered by the Plaintiff were due to discussions between them and the a junior official of the municipality, who had no delegated powers to request such services on behalf of the municipality. The case is being defended because the necessary processes of procurement were not followed and the municipality has not procured the services.

3.12.2 ARBITRATION MATTERS

NO.	ARBITRATOR	PARTIES	BACKGROUND	AMOUNT CLAIMED	AMOUNT SPENT TO DATE	PROSPECTS AND RISK
1.	Mr. P Marais of Potgieter & Marais Attorneys (Appointed by the President of the Law Society)	Applicant is Sechaba Traffic Solutions and EMLM is Respondent	Sechaba's contract was terminated in 2009, and now in 2012 they lodged a claim for remunerations they would have received had the contract not been terminated	R2 101 450.00	R18 519.27	It is still early to determine the prospects of success. We have instructed an attorney to draw an exception and plea in the matter. Case is still on pleading stage.
2.	Mr. S.J Grove (Appointed by President of Aouth African Institute of Civil Engineering)	Applicant is EMLM and Respondents are Axton Matrix and Lotshephe Devel Engineers	Unrehabitation of Klip and Kanall street, Groblersdal	Nil	R11 020.83	It is still early to determine the prospects of success. Matter is still under arbitration.

Municipality has 02 contingency liability cases which needed to be attended to with caution. The cases are summarised below.

1. High court matter instituted by Mariana Stofberg, who sues the municipality for a sum of **R426 103.96** with legal costs. The case stems from alleged injuries sustained by the Plaintiff after falling in a pit. The trial date of the matter is in February 2014.
2. The arbitration matter instigated by Sechaba Traffic Solutions, who claims from the municipality a sum of **R2 101 450.00**. The Applicant was once contracted by the municipality to supply and install speed traffic machinery in an effort to enforce traffic violations in Groblersdal. The contract was terminated in 2009 due to breach of contract by the Applicant. The Applicant is claiming for remunerations they would have received had the contract not been terminated. There is an apparent misinterpretation of fees payable due to the Applicant hence their claim is excessive.

Component J : Miscellaneous

None

CHAPTER 4

ORGANISATIONAL DEVELOPMENT PERFORMANCE

COMPONENT K : PERFORMANCE REPORT (INSTITUTIONAL SCORECARD)

PLANNING DEVELOPMENT DEPARTMENT

Project Name	Objectives / Strategies	Key Performance Indicator	Budget	expenditure	2011/2012 Baseline	Annual Target (12/13)	Actual performance	Reason for Variance	Measures to improve performance	Measurement Source/ Evidence	Outcome
Township establishment	To create requisite town planning conditions for growth and development	% of Township establishment in Groblersdal	OPEX		60% town establishment in Groblersdal. • Topographic map • Traffic Impact Study • Geo-tech • Preliminary EIA & Layout	100% Township establishment in Groblersdal	0% Township establishment in Groblersdal	Slowness by the provincial Environmental Affairs Department towards endorsing EIA & issuing rod.	Meeting expedition between EMLM & the relevant provincial department .	Approved SG Diagram & RoD.	Not achieved

Project Name	Objectives / Strategies	Key Performance Indicator	Budget	expenditure	2011/2012 Baseline	Annual Target (12/13)	Actual performance	Reason for Variance	Measures to improve performance	Measurement Source/ Evidence	Outcome
building plans assessment	To create requisite town planning conditions for growth and development	No. of non-compliant buildings fined as per National Building Act and Regulations	OPEX		17 non-compliant buildings fined as per National Building Act and Regulations	70 non-compliant buildings fined as per National Building Act and Regulations	37 non-compliant buildings fined as per National Building Act and Regulations	Understaffing	Filling of vacancies in the Building Directorate.	Copies of fines issued.	Not achieved
implementation of LUMS and SDF	Ensure appropriate land use and integrated development	No of identified areas demarcated	OPEX		6 identified areas demarcated	2 identified areas demarcated	0 identified areas demarcated	Non-responsive by Coghsta	Drawing housing chapters	2 approved SG Diagrams.	Not achieved
		No of land use applications processed.	OPEX		123 land use applications processed	140 land use applications processed	151 land use applications processed	none	none	no evidence	Not Achieved

Project Name	Objectives / Strategies	Key Performance Indicator	Budget	expenditure	2011/2012 Baseline	Annual Target (12/13)	Actual performance	Reason for Variance	Measures to improve performance	Measurement Source/ Evidence	Outcome
Land tenure upgrading	To promote planned land uses for economic growth	% of upgraded land tenure: Motetema Monsterlos Zone 11 Zenzele Zuma park	OPEX		10% feasibility study	50% upgraded land tenure: Motetema Monsterlos Zone 11 Zenzele Zuma park	11% Appointment of service provider: Motetema & Hlogotlou.	Zone 11 - Unavailability of Mapoche gronde 521 private owner.	Zone 11 - Advertise in the local & national paper for owner of Mapoche gronde 521.	Service Provider's appointment letter & progress report.	Not achieved
land tenure upgrading	To improve the provision planning information for economic and social growth	No. of days taken to disapprove /approve rezoning and sub-division applications	OPEX		90 days taken to disapprove /approve rezoning and sub-division applications	90 days taken to disapprove /approve rezoning and sub-division applications	150 days taken to disapprove /approve rezoning and sub-division applications	Long internal municipal systems.	Revising of the Municipal Delegation of Powers.	Application Submission Register.	Not achieved

Project Name	Objectives/ Strategies	Key Performance Indicator	Budget	expenditure	2011/2012 Baseline	Annual Target (12/13)	Actual performance	Variance	Measures to improve performance	Measurement Source/ Evidence	Outcome
local tourism	Facilitation and marketing of the local tourism	% progress on marketing of tourism	OPEX		no branding was done for LED	100% Marketing of tourism	100% Brochures developed	None	None	Brouchers	Achieved

Farmers support	Provide support to co-operatives	No of co-operatives supported	OPEX		8 Cooperatives supported	10 Cooperatives supported	23(5+18) cooperative s supported 5 cooperative s attended training on Tendering, Limpopo Provincial Treasury 18 cooperative attended another training on Export Awareness offered by The DTI	None	None	comprehensive report for the business Expo	Achieved
LED Strategy	To create a conducive investment environment	% reviewal of LED strategy	OPEX		LED strategy in place	100% reviewal of LED strategy	None	Insufficient capacity within the directorate	Outsource the function.	None	Not achieved

Changes made during mid-year

1. % of township establishment in Roosenekaal:

KPI was removed as the budget is insufficient and the budget was relocated to other votes.

2. % promulgation of LUMS :

KPI was removed pending the approval of the Act.

Total number of KPIs	9
Number of KPIs achieved	2
Number of KPIs not achieved	7

CORPORATE SERVICES DEPARTMENT

Project Name	Objectives/ Strategies	Key Performance Indicator	Budget	expenditure	2011/2012 Baseline	Annual Target (12/13)	Actual performance	Reason for Variance	Measures to improve performance	Measurement Source/ Evidence	Outcome
Development of By-Laws	Providing and improving compliance to municipal regulatory environment	No. of By-Laws developed	OPEX		3 by-laws developed and gazetted	4 by-laws developed and gazetted	0 By-law development and approval for public participation	No By-law forwarded by departments for public participation and gazetting	Departments to forward By-laws and be available for presenting them at public participations .	no evidence	Not achieved
IT program mes and support	To ensure a functional web-site	% maintenance of website	OPEX		100% maintenance of website	100% maintenance of website	100% regular updates are performed and updated intime	none	none	Website register	achieved
	To provide systems data disaster recovery plan	% data back-up service	OPEX		New indicator	100% Back-up register	100% back-up services	None	None	Backup Register	achieved

Project Name	Objectives/ Strategies	Key Performance Indicator	Budget	expenditure	2011/2012 Baseline	Annual Target (12/13)	Actual performance	Reason for Variance	Measures to improve performance	Measurement Source/ Evidence	Outcome
Human resource development	To ensure effective organisational development	No of employee trained as per WSP and ATR	OPEX		121 employee trained as per WSP and ATR	130 employee trained as per WSP and ATR	40 employees trained as per WSP and ATR	the budget was insufficient for the targeted number of employees	to stick to minimum amount of budget to accommodate the targeted number	no evidence	Not achieved
Human resource development	Leadership	No of leadership programmes implemented	OPEX		New indicator	1 leadership programme implemented	1 leadership programme offered to EXCO members, Mayor & Chief whip	none	none	(List of trainees) Name of the programme	Achieved
Human resource development	Declaration and disclosure of interests by POB's and officials for new te	No of councillors and officials declared their financial interests	OPEX		41 councillors 4 employees	60 councillors 30 employees	2 councillors 68 employees	non-submission of forms by councillors and employees	to educate councillors and employees about the municipal code of conduct	completed forms of those who submitted	Not achieved

Project Name	Objectives/ Strategies	Key Performance Indicator	Budget	expenditure	2011/2012 Baseline	Annual Target (12/13)	Actual performance	Reason for Variance	Measures to improve performance	Measurement Source/ Evidence	Outcome
Study assistance	Provision of study assistance to employees	No. of employees provided with study assistance	OPEX		New indicator	5 employees provided with study assistance	0 Employees provided with study assistance	No applications received	Notify staff about the availability of study assistance	Draft circular	Not achieved
Experiential learning	To assist learners to gain work experience	No. of learners assisted with working experience	OPEX		27 learners assisted with working experience	10 learners to be assisted with working experience	36 learners assisted with working experience	none	none	Confirmation letters and Indemnity forms	Achieved
Labour relations	To promote and maintain labour peace	No. of local labour forum held	OPEX		8 local labour forums held	12 local labour forums to be held	06 local labour forum held	Lack of facilitation of the LLF meetings	Appointment of the HOD to facilitate the seating of the meetings	Minutes and attendance register	Not achieved

Project Name	Objectives/ Strategies	Key Performance Indicator	Budget	expenditure	2011/2012 Baseline	Annual Target (12/13)	Actual performance	Reason for Variance	Measures to improve performance	Measurement Source/ Evidence	Outcome
Organisational structure	To develop and review organisational structure	% implementation of organisational structure (filling of posts and non deviation from the structure)	OPEX		100% implementation of organisational structure	80% implementation of organisational structure	20% implementation of organisational structure	Slow pace in the filling of vacancies	Speed up the recruitment, selection and appointment process	List of new appointees	Not achieved
Payroll	Maximise efficiency of payroll management	% accuracy on payroll information	OPEX		100% accuracy on payroll information	100% accuracy on payroll information	100% payroll final run	none	none	Monthly salary statements	Achieved
Policy development, review and enforcement	To ensure alignment of policies to relevant legislation	Number of corporate services policies reviewed	OPEX		25 corporate services policies reviewed	5 corporate services policies reviewed	04 policies reviewed	None	None	Copy of policies Council resolutions	Not achieved

Project Name	Objectives/ Strategies	Key Performance Indicator	Budget	expenditure	2011/2012 Baseline	Annual Target (12/13)	Actual performance	Reason for Variance	Measures to improve performance	Measurement Source/ Evidence	Outcome
Occupational health and safety	Effective and efficient management of workplace hazards	% minimisation of workplace hazards	OPEX		100% minimisation of workplace hazards	100% minimisation of workplace hazards	100% minimisation of workplace hazards	none	none	no evidence	Not Achieved
Occupational health and safety	To ensure safety of employees against hazardous substances	No of employees provided with protective clothing	OPEX		98 employees provided with protective clothing	125 employees provided with protective clothing	47 employees provided with protective clothing and safety shoes.	none	none	Purchase slip of clothing/ Invoice	Not achieved
Occupational health and safety		% compliance with OHASA	OPEX		100% compliance with OHASA	100% compliance with OHASA	100% compliance with OHASA	none	none	no evidence	Not Achieved
Secretariat	To improve record management	% implementation of record management system	OPEX		ERS system in place	100% implementation of record management system	20% implementation of record management system	Lack of Maintenance and support of the system	Availability of Budget to provide maintenance and support	None	Not achieved

Project Name	Objectives/ Strategies	Key Performance Indicator	Budget	expenditure	2011/2012 Baseline	Annual Target (12/13)	Actual performance	Reason for Variance	Measures to improve performance	Measurement Source/ Evidence	Outcome
	No. of ordinary council meetings held	No. of ordinary council meetings held	OPEX		4 ordinary council meetings held	4 ordinary council meetings held	3 Ordinary meetings held	No ordinary meeting held during fourth quarter	Persuade council to adhere to programme	no evidence	not achieved
Secretariat	Dissemination of Council Resolutions	No of days taken to disseminate Council resolutions to Departments after signature by MM and Speaker	OPEX		New indicator	14 days taken to disseminate Council resolutions to Departments after signature by MM and Speaker	none	the minutes were disseminated in July 2013.	to disseminate the minutes in time	no evidence	not achieved
Fleet management	To ensure effective management of fleet	No. Of fleet management reports developed	OPEX		12 fleet management reports developed	12	12 fleet management reports developed	none	none	fleet management report	Achieved

Project Name	Objectives/ Strategies	Key Performance Indicator	Budget	expenditure	2011/2012 Baseline	Annual Target (12/13)	Actual performance	Reason for Variance	Measures to improve performance	Measurement Source/ Evidence	Outcome
labour relations	To provide requisite legal support	% reduction in labour related disputes referred to the Bargaining Council	OPEX		New indicator	30% reduction in labour related disputes referred to the Bargaining Council	10% reduction in labour related disputes referred to the Bargaining Council	Labour matters being attended to at a slow pace	All labour issues to be finalised at management level	Letters to embark on strike	Not achieved
Legal services		% of external major cases received and resolved	OPEX		100% resolution of external cases received and resolved	100% resolution of external cases received and resolved	100% resolution of external cases received and resolved	None	None	Litigation Report	Achieved
Legal services	Contract development	% of request received versus preliminary drafts produced	OPEX		100% production of contracts	100% production of contracts	100% production of contracts	None	None	Draft contracts produced	Achieved

Project Name	Objectives/ Strategies	Key Performance Indicator	Budget	expenditure	2011/2012 Baseline	Annual Target (12/13)	Actual performance	Reason for Variance	Measures to improve performance	Measurement Source/ Evidence	Outcome
Legal services		No. of lease agreements reviewed	OPE X		0 lease agreements reviewed	10 lease agreements reviewed	9 Lease contracts reviewed	One contract has been negotiated with the Vliegklub pending to be approved at Council level because it is negotiated to be a nine year	Speedy presentation of the item to Council	Copies of lease contracts	Not achieved

Project Name	Objectives/ Strategies	Key Performance Indicator	Budget	Expenditure	2011/2012 Baseline	Annual Target (12/13)	Actual performance	Reason for Variance	Measures to improve performance	Measurement Source/ Evidence	Outcome
customer services	To create a culture of accountability and transparency	No. of customer care surveys conducted	OPEX		1 survey conducted by Coghsta	1 survey conducted by Coghsta	0 Customer survey conducted.	the survey was conducted by COGHSTA during December 2012 and the report is still outstanding	to conduct customer satisfaction survey in house	none	not Achieved
		% of responses to community complains received and resolved	OPEX		100% responses to community complains received and resolved	100% responses to community complains received and resolved	100% responses to community complains received and resolved	None	None	no evidence	Not Achieved
		% Referral of service delivery queries raised	OPEX		100% referral of service delivery queries to	100% referral of service delivery	100% referral of service delivery queries to	None	None	Register of Complaints received from the Presidential	Achieved

Project Name	Objectives/ Strategies	Key Performance Indicator	Budget	Expenditure	2011/2012 Baseline	Annual Target (12/13)	Actual performance	Reason for Variance	Measures to improve performance	Measurement Source/ Evidence	Outcome
		through the Presidential and premier's hotline			relevant sector departments	queries to relevant sector department	relevant sector departments			&Premier S Hotlines	
Special programmes	Provide support to designated groups	No. of support programmes to elderly.	OPEX		New indicator	1 Support programmes to elderly.	1 visit to Mahlakuamatala old age home	none	none	report and pictures	Achieved
	Provide support to designated groups	No. of HIV initiatives	OPEX		Aids Council	2 HIV initiatives	3 HIV initiatives	none	none	attendance registers	Achieved
		No. of Support to youth programmes.	OPEX		Youth council established	2 Support to youth programmes.	2 support to youth at masakaneng and sehlakoane	none	none	attendance register and photos	Achieved
		%. of support to traditional leaders	OPEX		New indicator	100% support to traditional leaders	0 support to traditional leaders	no approved programme in place	to develop the programme for the support	none	not Achieved

Project Name	Objectives/ Strategies	Key Performance Indicator	Budget	Expenditure	2011/2012 Baseline	Annual Target (12/13)	Actual performance	Reason for Variance	Measures to improve performance	Measurement Source/ Evidence	Outcome
Ward committee	To provide efficient functioning of ward	No. of modules ward committees trained on	OPEX	31	Only induction was conducted	6 modules ward committees trained on	8 modules trained on	none	none	Attendance register available	Achieved
Ward committee	To provide efficient functioning of ward	% support to ward committees	OPEX	32	100% support to ward committees	100% support to ward committees	100% support to ward committees	none	none	Final run print out	Achieved
		No. of ward committee's quarterly reports consolidated	OPEX	33	4 reports submitted	4 ward committee's quarterly reports consolidated	4 ward committee reports submitted and consolidated	none	none	Quarterly Reports	Achieved

Project Name	Objectives/ Strategies	Key Performance Indicator	Budget	Expenditure	2011/2012 Baseline	Annual Target (12/13)	Actual performance	Reason for Variance	Measures to improve performance	Measurement Source/ Evidence	Outcome
outreach es		No. of Speakers Outreach programmes	OPEX	34	New indicator	2 Speakers Outreach programmes	0 Speakers outreach	No public participation policy in place	to develop the policy	no evidence	Not achieved
		No. of Mayors outreach programmes	OPEX	35	3 wards 14,18,24	12 Mayors outreach programmes	0 Mayors outreach	no public participation policy in place	to develop the policy	no evidence	Not achieved

Changes made during mid-year

1. Number of days taken in assisting users:
KIP was removed as it was not clear and measurable
2. Number of employees to be capacitated as per training plan:
KPI was changed to number of employees trained as per WSP and ATR.
3. Number of councillors to be capacitated as per training plan
KPI changed to number of leadership programmes implemented.
4. % implementation of WSP and ATR:
KPI was removed as is the duplication of number 2 and 3 above.
5. Number of officials minor cases received and resolved:
KPI changed to % reduction in labour related disputes referred to bargaining council.
6. Number of contracts reviewed:
KPI was changed to % of request received versus preliminary drafts produced.
7. Number of ward committee trained:
KPI was changed to number of modules ward committees trained on.

PERFORMANCE SUMMARY:

Total number of KPIs	35
Number of KPI's achieved	15
Number of KPIs not achieved	20

COMMUNITY SERVICES DEPARTMENT

Project	Objectives/ Strategies	Key Performance Indicator	Budget	expenditure	2011/2012 Baseline	Annual Target (12/13)	Actual performance	Reason for Variance	Measures to improve performance	Measurement source/evidence	Outcome
Refuse removal	To ensure provision of sustainable refuse removal services	No. of households with access to solid waste removal	OPEX		9331 Groblersdal Motetema Monsterloos Roossenekal	9584 households with access to solid waste removal	9584 households with access to solid waste removal	Ageing machinery and no recycling process584	Initiate Recycling process and develop maintenance plan for machinery	operational plan	Achieved
		Number of HH with access to free basic refuse removal at least once per week as per human settlement guideline	OPEX		450 Tafelkop	2000 HH with access to free basic refuse removal at least once per week as per	2000 HH with access to free basic refuse removal at least once per week as per	Location and few number of the Skips	Procure more skips and consensus on the location of the skips by the community	FBRR report or register	Achieved

Project	Objectives/ Strategies	Key Performance Indicator	Budget	expenditure	2011/2012 Baseline	Annual Target (12/13)	Actual performance	Reason for Variance	Measures to improve performance	Measurement source/ evidence	Outcome
Coordination of disaster management	To ensure adequate compliance to existing norms and standard	% of emergency relief cases responded to within 24 hours	OPEX		50% Moutse Tafelkop Hlogotlou	100% emergency relief cases responded to within 24 hours	100% emergency relief cases responded to within 24 hours	none	none	Log-in forms	Achieved
Waste management	To ensure adequate compliance to service delivery norms and standard	% Cleaning of Permitted Disposal sites as and when required using a chain bulldozer.	R1,000000.00	R 374 940	2 licensed landfill sites, Groblersdal & Roossenek1 Hlogotlou Transfer Station	100% cleaning of permitted disposal site (10 hectares)	30% cleaning of permitted disposal site (3hectares)	No capacity to render the service.	Procure landfill compactor for daily covering of waste Outsourcing the operationilazation and maintance of landfill site	Landfill report and or photos	Not achieved

Project	Objectives/Strategies	Key Performance Indicator	Budget	expenditure	2011/2012 Baseline	Annual Target (12/13)	Actual performance	Reason for Variance	Measures to improve performance	Measurement source/evidence	Outcome
Upgrading of cemeteries	To ensure protected, safe and sustainable environment for the future	No. of cemeteries cleaned (cutting of grass)	R1,395272.00	R1,395272.00	5 cemeteries regularly cleaned . Groblersdal Motetema Monsterlos Roossenekal Lusaka	10 cemeteries cleaned	5 Groblersdal Motetema Monsterlos Roossenekal Lusaka	Ageing Equipments and under staffing	Maintainance plan for equipments and appoint personnel	Cemetery Maintenance operational plan	Not achieved
Coordination of disaster management		No. of Environmental Awareness and Cleaning Campaigns held	OPEX		Three Environmental Awareness and Cleaning Campaigns	5 environmental awareness campaign held	3 environmental campaigns held (1 x Tafelkop and 2x Elandsdoorn)	no response from community members	Establish environmental advisory Forums to educate the community	Photos	Not achieved

Project	Objectives/ Strategies	Key Performance Indicator	Budget	expenditure	2011/2012 Baseline	Annual Target (12/13)	Actual performance	Reason for Variance	Measures to improve performance	Measurement source/ evidence	Outcome
Recreational facilities	To ensure provision of parks	No. of parks and open spaces maintained	R1,395292.00	R1,395292.00	2 Hoep-Hoep & Hans Abraham	5 parks and open spaces maintained	6 Times	none	none	Parks maintenance register	Achieved
	To promote and support local sports activities	No. of stadia maintained/cleaned	OPEX		3 stadia maintained/cleaned	4 Stadia – maintained Hlogotlou, Tafelkop,	4 Stadia – maintained Hlogotlou, Tafelkop, Groblersd	none	none	Stadia maintenance register	Achieved
indigen ts	To promote social partnerships towards community empowerment	% Signing of Happy Letters as per completed houses in the 2012/2013 Housing Allocation	OPEX		New indicator	100% Signing of Happy Letters as per completed houses in the 2012/2013 Housing Allocation	100 % happy letters signed	None	None	Happy letters register	Achieved

Project	Objectives/Strategies	Key Performance Indicator	Budget	expenditure	2011/2012 Baseline	Annual Target (12/13)	Actual performance	Reason for Variance	Measures to improve performance	Measurement source/evidence	Outcome
indigents	To promote social partnerships towards community empowerment	% update of indigent register	OPEX		Approved indigent register (6207)	100% updated indigent register	18 % (1131) Indigent configured by ESKOM	Beneficiaries sharing same stand number ESKOM configuration process. Budgetary Constraints. Personnel	Re-registration of the existing indigents. ESKOM to discontinue their list and accept the new list. Extend the FBS to other services	Updated Configured List from ESKOM	Not achieved
		No. of learners awarded Mayor's Bursary Fund as per Bursary fund policy	R150 000.00	R121 590.00	41 learners received Registration Fee to be enrolled in SA accredited institution	60 learners to be provided with Mayors bursary fund	37 learners provided with Mayors bursary fund	Most of the learner did not submit supporting documents	Organise career guidance week and to advertise the assistant programme on different media	List of beneficiaries	Not achieved

Project	Objectives/Strategies	Key Performance Indicator	Budget	expenditure	2011/2012 Baseline	Annual Target (12/13)	Actual performance	Reason for Variance	Measures to improve performance	Measurement source/evidence	Outcome
Traffic and licensing	To conduct effective arrive alive campaigns to reduce road accidents	No. of Arrive Alive campaigns conducted	R5345684	R5345684	24 Easter holiday festive season	24 Arrive Alive campaigns conducted	26 Arrive Alive campaigns conducted	None	None	Operational Plan	Achieved
	To ensure revenue enhancement in traffic and licensing	% L/L Applications received vs. application attended.	R3948000	R3948000	Grade A DLTC	100% Applications received vs. applications attended.	100 % Applications received vs. application attended.	none	none	E-natis Report	Achieved

Project	Objectives/Strategies	Key Performance Indicator	Budget	expenditure	2011/2012 Baseline	Annual Target (12/13)	Actual performance	Reason for Variance	Measures to improve performance	Measurement source/evidence	Outcome
		% of D/L application received vs. attended.	R3948000	R3948000	Grade A DLTC	100% D/L application received vs. attended	100 % D/L application received vs. attended	none	none	E-natis report	Achieved
Library facilities	To enhance education through the provision of educational facilities	No. of people visiting and utilising our library.	R1097516	R1097516	16 000 Groblersdal Roossenekal library	21000 people visiting and utilising our library.	19200 people visiting and utilising our library.	the target was overtargeted	to put achievable target	Quarterly library report	Not achieved
refuse trucks	To ensure better service delivery	No. of refuse trucks purchased	R1500000	R 988 548.50	6 Refuse Trucks purchased	1 refuse trucks purchased	1 refuse trucks purchased	None	None	Asset register	Achieved

Project	Objectives/ Strategies	Key Performance Indicator	Budget	expenditure	2011/2012 Baseline	Annual Target (12/13)	Actual performance	Reason for Variance	Measures to improve performance	Measurement source/ evidence	Outcome
Skips	To ensure better service delivery	No. of skips purchased	R200000.00	R112 180.00	20 skips purchased	8 skips to be purchased	10 skips purchased	None	None	Asset register	Achieved

Changes made during mid-year

1. Number of household with access to basic refuse removal at least once per week:
KPI was changed to number of household with access to free basic refuse removal at least once per week as per human settlement guideline.
2. Number of households in township with access to solid waste removal
The annual target was changed from 11731 to 9584.
3. % maintenance of cells at the landfill site:
KPI changed to % cleaning of permitted disposal sites as and when required using a chain bulldozer.
4. % services on call at all clients and weekly removals from RWM and policy development.
KPI was removed
5. % increase in registered indigents:
KPI changed to % signing of happy letters as per completed houses in the 2012/2013 housing allocation.
6. % construction of DLTC:
KPI was removed.
7. Number of license vehicle to be leased.
KPI was removed.
8. Number or arrive alive campaigns initiated:
The KPI was changed to number of arrive alive campaigns conducted.
9. Number of lawnmowers kudos purchased:
KPI was removed.

PERFORMANCE SUMMARY:

Total number of KPIs	17
Number of KPI's achieved	11
Number of KPIs not achieved	6

INFRASTRUCTURE DEPARTMENT

PROJECT	Objectives/Strategies	Key Performance Indicator	Budget	Expenditure	Baseline	Annual Target (12/13)	Actual performance	Reason for Variance	Measures to improve performance	Measurement Source/Evidence	Outcome
electricity	Facilitation for the provision of FBE indigents families	No. of households accessing FBE	R350 000.00	R 270 000.00	900 indigents benefited FBE	1000 households accessing FBE	800 households accessing FBE	The configured list was including indigents outside our jurisdiction area.	The configured list was corrected and only caters for our indigents.	Eskom FBE report	Not achieved
electricity	To support initiatives to improve service delivery.	%Monitoring of the functionality of the smart metering project in Roossenekal	OPEX		New Indicator	100% functionality and revenue collection	100% functional	None	none	Statistical report on vending	achieved

PROJECT	Objectives/Strategies	Key Performance Indicator	Budget	Expenditure	Baseline	Annual Target (12/13)	Actual performance	Reason for Variance	Measures to improve performance	Measurement Source/Evidence	Outcome
Electricity	To support initiatives to improve service delivery.	% Reduction of illegal electricity connections	OPEX		Inspections conducted and System Inspections reports	100% Reduction of illegal electricity connections	100% Reduction of illegal electricity connections	None	None	report of metering statistics	Achieved
		% Reduction of unaccounted electricity (losses)	OPEX		Bulk monitoring meters, Installation of smart meters.	5% Reduction of unaccounted electricity (losses)	5% Reduction of unaccounted electricity (losses)	None	None	report of metering statistics	Achieved
Maintenance of street lights, High mast lights, Tr	To ensure sustainable services to the community	No. of street lights repaired and maintained	OPE		New indicator	0 (As and when Necessary to repair and maintain)	95 street lights repaired and maintained	None	None	electricity maintenance report	achieved

PROJECT	Objectives/Strategies	Key Performance Indicator	Budget	Expenditure	Baseline	Annual Target (12/13)	Actual performance	Reason for Variance	Measures to improve performance	Measurement Source/Evidence	Outcome
		No. of high mast lights repaired and maintained	OPEX	R0.00	New indicator	0 (As and when Necessary to repair and maintain)	0 high mast lights repaired and maintained	None	None	Manager electricity maintenance report	Not achieved
		No. of traffic lights repaired and maintained	OPEX		New indicator	5 repaired and maintained	7 traffic lights maintained	None	None	Manager electricity maintenance report	Achieved
Road Regraveling Program	To ensure safe and accessible roads to communities	No. of kilometres of gravel roads constructed.	OPEX	R0.00	0KM Regravelling	20km regravelling and maintained roads	21.3km regravelling and maintained	None	None	quarterly report	Achieved

PROJECT	Objectives/Strategies	Key Performance Indicator	Budget	Expenditure	Baseline	Annual Target (12/13)	Actual performance	Reason for Variance	Measures to improve performance	Measurement Source/Evidence	Outcome
transport master plan	To control and manage transport within the municipal area	% development of transport master plan	R1,000,000.00	R 0.00	New indicator	100% development of transport master plan	Adjudication stage	Delays in appointment of service provider	To fast track appointment of service provider	Report from adjudication	Not achieved
Storm water maintenance through internal staff	To ensure safe and accessible roads to communities	No. of km completed on Storm water channel, culvert /outlet cleaning and repair. No. of manhole lids replaced	R 15,000.00	R 15,000.00	New indicator	10 km of completed on Storm water channel, culvert /outlet cleaning and repair. No. of manhole lids replaced	230m of storm water channels cleaned and repairs	Insufficient resources and budget	To fast track appointments and availing of funds	Manager Roads Drainage quarterly report	Not achieved

PROJECT	Objectives/ Strategies	Key Performance Indicator	Budget	Expenditure	Baseline	Annual Target (12/13)	Actual performance	Reason for Variance	Measures to improve performance	Measurement Source/ Evidence	Outcome
Road rehabilitation and patch work	To ensure safe and accessible roads to communities	No. of m ² patching and potholes repairs	OPEX	R0.00	New indicator	500m ² Repairs on patchwork & potholes	792m ² pot hole repairs	none	none	quarterly report	Achieved
Safety of roads on road signs	To ensure safe and accessible roads to communities	No. of road signs replaced and maintained	OPEX	R 250,000.00	New indicator	0 (As and when Necessary to repair and maintain)	26 road signs replaced	none	None	quarterly report	achieved
Moteti St Joseph bus road	To ensure better service delivery	No. of kilometres constructed	R2,000 000.00	R 2,000,000.00	4.5Km constructed	350m constructed	350m completed	None	None	completion certificate	Achieved

PROJECT	Objectives/ Strategies	Key Performance Indicator	Budget	Expenditure	Baseline	Annual Target (12/13)	Actual performance	Reason for Variance	Measures to improve performance	Measurement Source/ Evidence	Outcome
Nyakelana public route upgrade phase 3	To ensure better service delivery	No. of kilometres constructed	R11 792 374.96	R 11 792 374.96	1.2 km constructed	2,1km constructed	2,1km completed	None	None	completion certificate	Achieved
Tourism Information centre	To ensure better service delivery	% completed on Tourism centre	R 0.00	R 0.00	New project	complete Tourism centre	5% Foundation was done	Funding for labour	Project to be implemented in the coming financial year using EPWP incentives	Progress report.	Not achieved
Roads to Magoshi	To ensure better service delivery	Completion of Designs for Road to Magoshis	R1,500 000.00	R1,500 000.00	New project	2.5km constructed	2,5km Design completed	None	None	Design report	Achieved

PROJECT	Objectives/ Strategies	Key Performance Indicator	Budget	Expenditure	Baseline	Annual Target (12/13)	Actual performance	Reason for Variance	Measures to improve performance	Measurement Source/ Evidence	Outcome
Zaaiplaas road (police station road) phase 3	To ensure better service delivery	No. of kilometres constructed	R5,665 000.00	R 5 648 947.40	2km constructed	1.3km constructed	1.3km road completed	None	None	completion certificate	Achieved
Ramogwane phase 5	To ensure better service delivery	No. of kilometres constructed	R19,277 000.00	R 19,277 000.00	3km constructed	4.5km constructed	4.5 km road completed	Storm water channels delays	The contractor is given until 31 July 2013	Progress report	Not achieved
Install of service stand 885	To ensure better service delivery	No of stands installed with municipal services at stand no 885 installation of (electricity)	R2,500 000.00	R 2 030 900.00	Water & sanitation and road services	17 stands serviced	17 stands serviced	None	None	completion certificate	Achieved

PROJECT	Objectives/Strategies	Key Performance Indicator	Budget	Expenditure	Baseline	Annual Target (12/13)	Actual performance	Reason for Variance	Measures to improve performance	Measurement Source/Evidence	Outcome
Construction/building of municipal offices	To ensure better service delivery	% progress of extension of mobile offices within the main office	R 1,000,000.00	R0.00	New project	100% progress of extension of mobile offices within the main office	0% Tender advertised	No qualified bidder	The project will be implemented next financial year.	Advert and report	Not achieved
2011/2012 ROLLED OVER PROJECTS											
Moteti A upgradation of bus road Ph 1	To ensure better service delivery	100% progress of the project	R3,659,092.11	R 3,481,612.80	90% progress of the project	10% progress of the project	100% progress of the project	None	None	Completion certificate	Achieved

PROJECT	Objectives/Strategies	Key Performance Indicator	Budget	Expenditure	Baseline	Annual Target (12/13)	Actual performance	Reason for Variance	Measures to improve performance	Measurement Source/Evidence	Outcome
Moteti C2 upgrading of bus route Ph2	To ensure better service delivery	% progress of the project	R 1,627,556.95	R 1,607,413.26	95% progress of the project	5% progress of the project	100% progress of the project	None	None	Completion certificate	Achieved
Monsterlous to Mmakgopheng 2.5km road Ph3	To ensure better service delivery	% progress of the project	R555,048.68	R 434,625.00	98% progress of the project	2% progress of the project	100% progress of the project	None	None	Completion certificate	Achieved

PROJECT	Objectives/Strategies	Key Performance Indicator	Budget	Expenditure	Baseline	Annual Target (12/13)	Actual performance	Reason for Variance	Measures to improve performance	Measurement Source/Evidence	Outcome
Ramogwane to Nkading road Ph4	To ensure better service delivery	% progress of the project	R1,321,280.02	R 1,057,382.84	91% progress of the project	9% progress of the project	100% progress of the project	None	None	Completion certificate	Achieved
Hlogotlou refurbishment and construction of stormwater drainage system Ph2	To ensure better service delivery	% progress of the project	R 364,098.30	R 350,137.02	98% progress of the project	2% progress of the project	100% progress of the project	None	None	Completion certificate	Achieved

PROJECT	Objectives/ Strategies	Key Performance Indicator	Budget	Expenditure	Baseline	Annual Target (12/13)	Actual performance	Reason for Variance	Measures to improve performance	Measurement Source/ Evidence	Outcome
Installation of services stand 885	To ensure better service delivery	% progress of the project	R1968984.03	R 1,968,984.03	30% progress of the project	70% progress of the project	100% progress of the project	None	None	Completion certificate	Achieved

project	Objectives/ Strategies	Key Performance Indicator	Budget	expenditure	Baseline	Annual Target (12/13)	Actual performance	Variance	Measures to improve performance	Measurement Source/ Evidence	Outcome
EPWP	To improve job creation through Service Delivery Projects.	No. of job created through EPWP	R 44,911,800.00		444 jobs created	500 jobs created through EPWP	371 jobs created through EPWP	In house projects were withdrawn from the Budget and have negative impact on job opo	To over commit on projects regarding labour	EPWP Annual job creation report	Not achieved

project	Objectives/ Strategies	Key Performance Indicator	Budget	expenditure	Baseline	Annual Target (12/13)	Actual performance	Variance	Measures to improve performance	Measurement Source/ Evidence	Outcome
EPWP	To ensure EPWP spending	R amount claimed on EPWP incentive grants	R1,000,000.00	R1,000,000.00	R. amount claimed	R1m claimed on EPWP incentive grants	R1m claimed	none	none	EPWP Annual Transfer report	Achieved

project	Objective s/ Strategie s	Key Perform ance Indicator	Bu dget	expe nditure	2011/2012 Baseline	Annual Target (12/13)	Actual performan ce	Varianc e	Measures to improve performanc e	Measureme nt Source/ Evidence	Outcome
MIG spendi ng	To ensure MIG funding is spent as per commitm ents	% Spending on MIG funds	R35,306,000.00	R 25,862,935.18	100% MIG spent	100% Spending on MIG funds	100% MIG spent	None	None	MIG annual Expenditure report	achieved
CAPEX spendi ng	To ensure CAPEX funding is spent as per commitm ents	% Spending on CAPEX funds	R 9,688,800.00	R 793 871.32	100% CAPEX spent	100% Spending on CAPEX funds	82% CAPEX spent	two projects have delays on appoint ments	carry over to the next financial year	CAPEX annual Expenditure report	not achieved

Changes made during mid-year

1. Number of FBE applications processed:
KPI was removed.
2. Number of smart electricity meters installed in Groblersdal:
KPI changed to % monitoring of the functionality of the smart metering project in Roosenekaal
3. Number of households to be electrified:
KIP was removed.
4. Nnumber of street lights repaired and maintained:
New KPI
5. Number of high mast lights repaired and maintained:
New KPI
6. Number of traffic lights repaired and maintained:
New KPI
7. Number of km completed on storm water channel, culvet/outlet cleaning and replaced
New KPI
8. Number of m²patching and pothole repairs:
New KPI.
9. Number of road signs replaced and maintained:
New KPI
10. Moteti St Joseph bus road:
The annual target was changed from 4.5km to 600m.
11. The following capital projects were removed due to budget constraints:
 - a. Mogaung bus route
 - b. Kgaphamadi bus route
 - c. Groblersdal internal roads
 - d. Motetema street phase 2
12. Nyakelang public route:
The annual target was changed from 2.7km to 2.1km

PERFORMANCE SUMMARY:

Total number of KPIs	30
Number of KPI's achieved	21
Number of KPIs not achieved	9

STRATEGIC MANAGEMENT

project	Objective s/ Strategie s	Key Performa nce Indicator	KP I no	2011/2012 Baseline	Annual Target (12/13)	Actual performanc e	Variance	Measures to improve performan ce	Measuremen t Source/ Evidence	Outcome
PMS	to ensure proper planning, monitoring and review of organisational and individual performance	No of Performance Assessment reports compiled.	1	4 2010-11 annual performance assessment, 1 st quarter assessment, Mid-year assessment. 2 nd quarter assessment, 3 rd quarter assessment	4 performance assessment report	4 fourth quarter report in place	none	none	Fourth quarter report.	Achieved
		% development of SDBIP	2	2012/2013 SDBIP in place	100% development of 2013-14 SDBIP	2013-14 SDBIP approved by council	none	none	approved 2013-14 SDBIP	Achieved
PMS	to ensure proper planning, monitoring and review of organisational and individual performance	No of signed performance agreements for section 56	3	Six Signed performance agreement.	7 performance agreements to be signed	6 signed performance agreement in place	the post for Director Corporate Services has been vacant for	to fill the post for Director Corporate Services	6 signed performance agreement	Not achieved

project	Objective s/ Strategie s	Key Performa nce Indicator	KP I no	2011/2012 Baseline	Annual Target (12/13)	Actual performanc e	Variance	Measures to improve performan ce	Measuremen t Source/ Evidence	Outcome
	onal and individual performa	managers					the whole year			
PMS	to promote institution al accountab ility and complianc e	% progress of annual report	4	2010/2011 annual report in place	100% progress of annual report	100% 2011/2012 annual report approved by council	none	none	council resolution	Achieved
IDP	to ensure adoption of IDP/ Budget within the prescribed legal framewor	% complianc e with the legal timeframe	5	IDP / Budget adopted within timeframe	100% 2013/14 IDP approved by council	100% 2013/2014 IDP approved by council	none	none	council resolution	Achieved
IDP	to ensure adoption of IDP/ Budget within the prescribed legal framework	% of. Progress on the implement ation of IDP process plan	6	100% implementati on of 2013/2014 process plan	100% 2013/14 IDP approved by council	100% process plan implemented	none	none	approved 2013/2014 IDP process plan	Achieved

project	Objective s/ Strategie s	Key Performa nce Indicator	KP I no	2011/2012 Baseline	Annual Target (12/13)	Actual performanc e	Variance	Measures to improve performan ce	Measuremen t Source/ Evidence	Outcome
IDP	to ensure adoption of IDP/ Budget within the prescribed legal framewor	% complianc e to MEC' credible IDP rating	7	Low IDP rating	100% Credible IDP rating	100% 2012/2013 IDP rated high by MEC	None	none	2012/2013 Credible IDP	Achieved
IDP		No of IDP/Budg et public sessions held	8	34 community participation s meeting held	34 community participation s meeting held	54 public participation held	none	none	Invitations and attendance registers	Achieved

Changes made during mid-year

1. Number of performance assessment held for section 56 managers :
KPI was changed to number of performance assessment reports compiled.
2. Number of performance reports submitted to other spheres of Government:
KPI was removed
3. Number of line managers who signed activity plans:
KPI was removed

PERFORMANCE SUMMARY:

Total number of KPIs	8
Number of KPI's achieved	7
Number of KPIs not achieved	1

BUDGET AND TREASURY DEPARTMENT

project	Objectives / Strategies	Key Performance Indicator	budget	expenditure	2011/2012 Baseline	Annual Target (12/13)	Actual performance	Variance	Measures to improve performance	Measurement Source/ Evidence	Outcome
revenue enhancement	to foster financial sustainability	% increase of revenue collection on consumers as per budget	OPEX		90% increase of revenue collection on consumers as per budget	95% increase of revenue collection on consumers as per budget	63.7% Consumer as per budget =R89.9m Payment received (actual) =R57.3m $57.3/89.9 = 63.7\%$	31,3% The enforcement of credit controls in townships 2. Culture of none payment especially for townships 3. Most of the debtors are from Townships 95% - 63,7% = 31,3%	To conduct Workshops/ Roadshows to consumers in townships to encourage them to pay for services rendered by the municipality. 2. Reviewing of credit policy(finalising bargaining negotiations and implement for councillors debt; SSME")	Monthly Billing Report and Payment report	Not achieved

project	Objectives / Strategies	Key Performance Indicator	budget	expenditure	2011/2012 Baseline	Annual Target (12/13)	Actual performance	Variance	Measures to improve performance	Measurement Source/ Evidence	Outcome
		% accurate and complete billing.	OPEX		60% accurate and complete billing	100% Data cleansing on all consumers on the system.	80% (1400 farm properties information collected)	1. Certain property not promulgated 2. Properties identified in the valuation roll as unknowns (not Title Deeds)	1. Create a Zero Tariff for Unknowns and promulgated properties for completeness of Revenue 2. Maximum participation in the IGR Forum.	Monthly recon Valuation Roll	Not achieved
assets and inventory management	Ensure compliance of assets management as per GRAP17	% compliance to assets standard	OPEX		0,9:1 ratio	2:1 (On AFS compare Current Assets to Current Liabilities)	2:1 (2.59:1 Current Assets (R100 640 163): Current Liabilities (R38 797 851))	None	None	2:1 quarterly Financial Statement compare Current Assets to Current Liabilities	Achieved

project	Objectives / Strategies	Key Performance Indicator	budget	expenditure	2011/2012 Baseline	Annual Target (12/13)	Actual performance	Variance	Measures to improve performance	Measurement Source/ Evidence	Outcome
		% compliance of GRAP 17	OPEX		100% Unbundling of assets	100% Unbundling of assets	90%	Verifying of all investment property	Asset verification in progress	Asset Register	Not achieved
		Calculation on depreciation on Municipal Assets Quarterly	OPEX		4 Depreciation calculation done on assets	0 Depreciation calculation done on assets	4 Depreciation calculation done on assets	None	None	Quarterly FS	achieved
property rates	Ensure credible valuation roll by 30 June 2012	% implementation of valuation roll.	OPEX		Valuation Roll in place	100% implementation of valuation roll.	The valuation roll is fully implemented.	None	None	Valuation Roll Implemented	Achieved
credit and debt management	To improve credit and debt management	% payment/collection rate	OPEX		73% payment /collection rate	95% payment/collection rate	89.4% Total revenue budgeted = R278.8m Actual revenue received =R249.4m 249.4/278.8 =89.4%	The credit control policy had gaps on late payment or none payment of debtors.	1. Review of policy. 2. Monthly monitoring the collection rate per Debtors category.	Age analysis compare to monthly	Not achieved

project	Objectives / Strategies	Key Performance Indicator	budget	expenditure	2011/2012 Baseline	Annual Target (12/13)	Actual performance	Variance	Measures to improve performance	Measurement Source/ Evidence	Outcome
credit and debt management	To improve credit and debt management	R amount of outstanding debtors recovered /hand over	OPE X		R22m of outstanding debtors recovered	R11m of outstanding debtors recovered /hand over	R10.08m 1. Debt collectors R974,275 2. Bumazi R1.38m 3. Sekhukhune Dist. Municipality R4.4m 4. Department losses R3.4 TOTAL R10.08m	The credit control policy had gaps on late payment or none payment of debtors.	1. Review of policy. 2. Monthly monitoring the collection rate per Debtors category.	Cut-off List collected	Not achieved
credit and debt management	To improve credit and debt management	R amount of the Debtors Book written-off	OPE X		R 1,5m debtors book written - off	R1m of the Debtors Book written-off	Item to be written to the council	Inactive accounts(Deceased account holders, liquidated companies etc)	1. 90 days plus are handed over to the debt collectors 2. Verification inactive accounts and write-	Debt collectors report	Not achieved

project	Objectives / Strategies	Key Performance Indicator	budget	expenditure	2011/2012 Baseline	Annual Target (12/13)	Actual performance	Variance	Measures to improve performance	Measurement Source/ Evidence	Outcome
supply chain management	Ensure compliance to SCM regulations	No of invitations(newspaper adverts) to vendors to register on mun databas	OPE X		One advert per annum	2 advert to be published on newspaper	2 advert to be published on newspaper	None	None	Advert	Achieved
supply chain management	Ensure compliance to SCM regulations	% total rand value of all procurement services(R30 000 and more)allocated to BEE service providers	OPE X		30% tenders were awarded to SMME's	30% tenders were awarded to SMME's	77% tenders were awarded to SMME's	None	None	SCM report	Achieved
supply chain management	Ensure compliance to SCM regulations	% total rand value of all procurement services through quotation system of goods below(R30 000)allocated to EMLM	OPE X		20% total rand value of all procurement services through quotation	20% total rand value of all procurement services through quotation	33% total rand value of all procurement services through quotation	None	None	SCM report	Achieved

project	Objectives / Strategies	Key Performance Indicator	budget	expenditure	2011/2012 Baseline	Annual Target (12/13)	Actual performance	Variance	Measures to improve performance	Measurement Source/ Evidence	Outcome
		based service providers									
		No of SCM reports submitted	OPEX		4 quarterly reports	4 quarterly reports	4 quarterly reports	None	None	Reports to Council	Achieved
		No. Of stores stock count conducted	OPEX		4 quarterly stock count report	4 quarterly stock count report	4 quarterly stock count report	None	None	Reports to Council	Achieved
budget	To ensure budget is implemented as per approval	No of monthly budget reports compiled on variance and remedial action by department	OPEX		12 section 71 reports in place	12 section 71 reports	12 section 71 reports	None	None	Section 71 Reports	Achieved
policies	To ensure alignment of policies to relevant	No of finance policies and strategies reviewed	OPEX		10 finance policies reviewed	10 finance policies to be	10 finance policies reviewed	None	None	council resolutions	achieved

project	Objectives / Strategies	Key Performance Indicator	budget	expenditure	2011/2012 Baseline	Annual Target (12/13)	Actual performance	Variance	Measures to improve performance	Measurement Source/ Evidence	Outcome
	legislation					reviewed					
MFMA implementation	Ensure compliance to MFMA regulation	% compliance with MFMA regulation	OPE X		100% section 71 & 66 reports	100% compliance with MFMA regulation	100% compliance with MFMA regulation	None	None	Section 71 & 66 Reports	Achieved
Annual financial statement	To ensure compliance with MFMA	% preparation of annual financial statements	OPE X		AFS Signed-off by the Accounting Officer and submitted to AG	100% 31 August 2012	AFS submitted to Auditor General	None	None	Letter of confirmation from AG	Achieved

Changes made during mid-year

1. % update of municipal database :
KPI was changed to number of invitations to vendors to register on municipal database.
2. % tenders awarded to SMME'S :
KPI was changed to % total rand value of all procurement services allocated to BEE services.
3. % monitoring of budget :
KPI was changed to number of monthly budget reports compiled on variance and remedial action by departments
4. % total rand value of all procurement services through quotation system of goods below(R30 000)allocated to EMLM based service providers: New KPI
5. % compliance with GRAP 17 :
New KPI
6. Calculation on depreciation on municipal assets quarterly:
New KPI
7. % total rand value of all procurement services (R30 000.00) allocated to BEE service providers :
New KPI

PERFORMANCE SUMMARY:

Total number of KPIs	18
Number of KPI's achieved	12
Number of KPIs not achieved	6

MUNICIPAL MANAGER'S OFFICE

PROJECT	Objective s/ Strategie s	Key Performance Indicator	Budget	KPI no	2011/2012 Baseline	Annual Target (12/13)	Actual performance	Variance	Measures to improve performance	Measurement Source/ Evidence	Outcome
Internal and external audit	To provide effective coordination of Internal Audit Processes	No. Of internal audit report submitted to municipal manager		1	4 quarterly reports	4 internal audit report submitted to municipal manager	8 reports submitted to municipal manager	none	none	reports	achieved
audit committee	To maximise and enhance oversight functions	No. of audit committee reports submitted to council		2	No audit committee in place	4 audit committee reports submitted to council	1 audit committee reports submitted to council	reports were delayed to be submitted to council	to submit the reports in time	none	not achieved
Risk management	To minimise fraud and corruption	No. of reports for risk identified		3	New indicator	4 reports for risk identified	2 reports for risk identified	risk register was approved late in October a	to ensure that the risk register is approved in the last	none	not achieved

PROJECT	Objectives/ Strategies	Key Performance Indicator	Budget	KPI no	2011/2012 Baseline	Annual Target (12/13)	Actual performance	Variance	Measures to improve performance	Measurement Source/ Evidence	Outcome
									quarter		
		% reduction of risk identified per Directorate		4	New indicator	100% reduction of risk identified per Directorate	50% of risk identified controlled	50% of risks identified not resolved by directorates	Continuous monitoring of risk registers	none	not achieved
		% implementation of fraud and anti corruption policy		5	policy in place	100% implementation of fraud and anti corruption policy	0 implementation of fraud and anti corruption policy	the policy was outdated and it was reviewed. It is awaiting council approval.	to submit the strategy to council for approval	none	not achieved
audit opinion	to ensure improved audit opinion	% reduction of matters raised by AG and non recurrence of		6	qualification audit opinion	100% unqualified audit opinion	80% audit action plan completed	20% of issues are still in progress	to engage departments with outstanding information	none	not achieved

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PERFORMANCE SUMMARY:

Total number of KPIs	6
Number of KPI's achieved	1
Number of KPIs not achieved	5

INSTITUTIONAL PERFORMANCE:

Total number of KPIs	123
Number of KPI's achieved	69
Number of KPIs not achieved	54

SERVICE PROVIDER'S PERFORMANCE

Service Provider	Service provided to municipality	Budget	Expenditure	performance Assessment
G4 Fidelity	Cash services	R5842.20 pm	R72 728.00	good
Vodacom	cell phones and data cards	As per monthly billing (recoverable from users)		good
BongileMashumi CC	Supply and Delivery of Cartridges and Tones for 36 Months	As per Tender Rates: As and when Required		good
Mmirah Events and Functions	Supply and Delivery of Cleaning Materials and tools	As per Tender Rates: As and when Required		good
Uniquenco	Compilation of Valuation Roll 2012 Till 2016	R 3 350 000	R910 257.00	good
Redumeletswe Construction and Projects	Supply and Delivery of Red and Black Refuse Bags	As per Tender Rates: As and when Required		good
Ipes Utility Management services	Debt Collection	Fixed Collection commission fee of 17%.		good
Edith Construction	Supply and Delivery Of Diesel and Petrol	As per Tender Rates: As and when Required		good
Lungisha Trading 88cc	Supply of Cold Ashpalt	as per the tender rates		good
JMV Orthosmart Consulting	Upgrading Of Bus Route At Mathula Stand Village	As per the rates of ECSA		good
Tshashu Consulting	Upgrading of Bus Route At Moteti C1	As per the rates of ECSA		good
SKY High Consulting	Upgrading Of Bus Route (8.5km) from gravel To Surfaced (Asphalt) Road and			good

Service Provider	Service provided to municipality	Budget	Expenditure	performance Assessment
	Storm Water Controls At Kgaphamadi Village	As per the rates of ECSA		
MTP Instrastructure Resources	Upgrading of Mogaung Road At Kgaphamadi Village	As per the rates of ECSA		good
T2 Tech Consulting Engineers	Upgrading Of Motetema Internal Streets PH2	As per the rates of ECSA		good
Onboard Consulting Engineers (PTY) LTD	Upgrading Of JJ Road At Zaaiplaas Village	As per the rates of ECSA		good
Maredi Telecoms and Broadcasting	Supply and Install Smart Metering In Groblersdal and Roosenekaal	As per the Rates per Connection		good
Tlou Integrated Tech	Consultant For Magoshi Roads	R 589 809.07		good
Makgonatsohle Trading	Mechanical Repairs of Municipal Heavy Machinery and Reactive Maintenance	R1 500 000.00	R1 748 522.00	good
BapediBopedi Projects cc	Standardization Of Projects and Contract Documentation and PMU Services	Max 5% Capital Budget		good
Kuyalunga Traffic Solutions (PTY) LTD	Leasing of Two Red Light and Speed Violation Cameras	R447 440.00 per Year R650 per hour expert rate R3.75 per kilometers		good
Rachoshi Chemical and Supplies	Refuse Removal	R 220 000 (per month)	R 264 0000	good

Service Provider	Service provided to municipality	Budget	Expenditure	performance Assessment
Vision Print	Printing Works For EMLM	R 3 322 760.20 Rates only(as and when the service is required)		good
Fawcett Security Services	Provision of Security Services	R29 1669.00	R 5 819 814.00	good
Ricoh Mpumalanga	Leasing Of Photocopying Machines		R538 618.04	fair
Lateral Unison Insurance Brokers	Short-Term Insurance	R 473 660.00	R334837.87	good
Odirile IT Holdings	Provision Of ICT Networks and Support and Maintenance	R 5 700 000.00	R 2031825.30	good
Nashua Mobile	Tele-Communication Services	R 32 261.00 (Per month)	R387132	good
Naspoti J&M Security Solutions	Supply and Installation of Alarm systems	R 542 521.44	R65 077.10	fair
munusoft	financial software	as per service level agreement	R5 113 571.00	good
Nomfundo Consult-Africa	Moteti St Joseph bus road	R2,000 000.00	R 250,000.00	good
MtemaMashao Consulting Engineers	Nyakelang public route upgrade phase 3	R11 792 374.96	R11 792 374.96	good
Tlou Integrated Tech	Roads to Magoshi	R1,500 000.00	R1,500 000.00	good
Sky High Consulting engineers	Zaaiplaas road (police station road) phase 3	R5,665 000.00	R 5 648 947.40	good
Monde Consulting Engineers	Ramogwerane phase 5	R19,277 000.00	R19,277 000.00	good

Service Provider	Service provided to municipality	Budget	Expenditure	performance Assessment
JV Kipp Consulting Engineers, Patrick Makgoka Construction	Install of service stand 885	R2,500 000.00	R 2 030 900.00	good

4 COMPONENT A: INTRODUCTION TO MUNICIPAL PERSONNEL

4.1 Employees totals, Turnover and Vacancies

Vacant posts are advertised in the national print media and on the municipal website. Most internal staff does not apply for senior posts because of lack of experience and/or not meeting the minimum qualifications required for the post. The municipality assists officials by enrolling them at accredited institutions for capacity building, so that they can meet the requirements of advertised senior posts in future. The post for Director Planning and Director Corporate Services remained vacant.

Employees: Human Resource Services				
Job Level (task grades)	2012/13			
	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	%
0 – 3				
4 – 6				
7 – 9				
10 – 12	05	05	0	0%
13 – 15	01	01	0	0%
16 – 18				
19 – 20				
Total	06	06	0	0%

Employees					
Description	2011/12	2012/13			
	Employees	Approved Posts	Employee s	vacancie s	Variance
	No.	No.	No.	No.	%
Electricity	13	16	13	3	19%
Roads	22	42	31	11	5%
Transport	1	1	1	0	0%
Planning	9	5	3	2	40%
Local Economic Develop ment	1	3	2	1	33.33%
Planning (Strategic &Regulatory)	4	7	5	2	29%
Local Economic Development	1	3	2	1	33.33%

Community & Social Services	102	161	113	48	30%
Environmental Protection	3	3	3	0	0%
Corporate Policy Offices and Other	112	125	98	27	22%
Totals	269	364	270	94	26%

Vacancy Rate 2012/13			
Designations	*Total Approved Posts	*Variances (Total time that vacancies exist using fulltime equivalents)	*Variances (as a proportion of total posts in each category)
	No.	No.	%
Municipal Manager	1	0	0%
CFO	1	0	0%
Other S57 Managers (excluding Finance Posts)	5	2	40%
Other Managers (Finance posts)	6	1	17%
Managers : Levels 15 (excluding Finance Posts)	22	1	5%
Senior management: Levels 13-15 (Finance posts)	5	1	20%
Highly skilled supervision: levels 9-12 (excluding Finance posts)	11	1	9%
Highly skilled supervision: levels 9-12 (Finance posts)	7	1	14.2%
Total	58	7	12%

Turn-over Rate			
Details	Total Appointments as of beginning of Financial Year	Terminations during the Financial Year	Turn-over Rate*
	No.	No.	
2012/13	18	13	

COMPONENT B: MANAGING THE MUNICIPAL WORKFORCE

4.2 Policies

The municipality has developed numerous policies as a guideline to all officials. The following policies were developed and reviewed during the year under review:

NO.	POLICY NAME	approved	reviewed	RESOLUTION NUMBER
1.	draft traditional leader's framework	✓		M12/66
2.	draft information technology patch policy	✓		C12/77
3.	Draft email and internet policy	✓		C12/78
4.	ICT disaster recovery policy	✓		C12/79
5.	IT governance framework	✓		C12/80
6.	amended employees cellphone allowance policy		✓	C12/72
7.	Draft geographical names committee policy	✓		C12/75

4.3 INJURIES, SICKNESS AND SUSPENSIONS

No officials were suspended from duty for financial or any kind of misconduct during the year under review. 04 minor injuries were reported on duty and affected officials consulted their doctors and the bills were paid by municipality as the municipality does not have it own doctor(s). The municipality spent R1567.23 on medical bills for officials injured on duty.

Number and Cost of Injuries on Duty					
Type of injury	Injury Leave Taken	Employees using injury leave	Average injury leave taken per employee	Average Injury Leave per employee	Total Estimated Cost
	Days	No.	%	Days	R'000
Required basic medical attention only	05	none	none	none	R1567.23
Temporary total disablement	none	none	none	none	none
Permanent disablement	none	none	none	none	none
Fatal	none	none	none	none	none
Total	05	0	0	0	R 1567.23

4.4 Performance management

In EMLM, performance management is limited to Municipal Manager and Directors only. EMLM has conducted the 2011/2012 annual performance assessments for three Directors who signed the performance agreement with the municipality, and no one qualified for performance bonuses. Municipality also conducted the 2012/2013 mid-year assessments for 04 Directors. The mid-year assessment is the measure taken by municipality in improving performance because through the session Directors are offered an opportunity to state their challenges and they are assisted by panel members as to how they can overcome those challenges and be able to achieve their target at the end of the financial year. During the year under review the following officials signed their performance agreements:

signing of performance agreement		
Officials	signed	not signed
Municipal Manager	✓	
Director Strategic	✓	
Chief financial officer	✓	
Director community services	✓	
Director Infrastructure	✓	
Acting Director Planning Development	✓	
Director Corporate services		✓ (vacant)

COMPONENT C: CAPACITATING THE MUNICIPAL WORKFORCE

4.5 Skills development and training

The municipality has a work skills plan that is utilised for capacity building of staff. Each department is requested to forward their training plans to corporate services in May each year, in order to be included in the WSP - which serves as a guide as to how many officials should undergo training in the next financial year. The plan is also used to determine the expenditure for training. For the year under review, 59 employees received different training. The WSP and annual training report were submitted to LGSETA at the end of each financial year.

At the beginning of the financial year R1million was budgeted for training, and these funds were exhausted by the end of the financial year. The training plan is effectively implemented in our municipality as we ensure that all officials on the training plan undergo relevant training. In future there will be a need for more spending for training. The municipality has made good progress towards achieving the 2013 deadline, and we are confident that we will meet it.

The following are the trainings that took place:

Total number of employees trained	Training programme	position
08	Municipal finance management programme	finance officials including 4 interns
01	certificate in supply chain management	SCM practitioner
02	LGAAC	finance officials
02	Asset Maintenance & management	Manager assets Assets Accountant
03	PED for IDP	IDP Manager IDP Officials
10	Integrated HIV/AIDS & TB Management	special programme Officers, Human resource Officers
30	Basic computer training	General workers and Switchboard operators
03	CPMD	Municipal manager, Legal Advisor
59		

COMPONENT D : MANAGING THE WORKFORCE EXPENDITURE

4.6 Employee expenditure

The municipality manages its workforce expenditure very well, as we have policies in place such as overtime policies, and travelling allowance policies, that are complied with before any expenditure can be incurred. EMLM has the organisational structure that is aligned to the IDP and budget, to ensure that all workforce expenditure has been budgeted for. The three documents - IDP, budget and organisational structure - are approved by council every year and the alignment is very important as it assists the municipality save money.

4.7 Disclosure of financial interest

Disclosure forms are given to all officials and councillors at the beginning of each financial year for completion. For the year under review, 02 councillors and 68 officials completed their disclosure forms. No conflict of interest was identified.

CHAPTER 5

FINANCIAL INFORMATION

CHAPTER 5: FINANCIAL PERFORMANCE

INTRODUCTION

The Elias Motsoaledi Local Municipality strives to ensure an effective and efficient administration, and has provided the following components for discussion within this chapter:

- Component A: Statement of financial performance
- Component B: Spending against capital budget
- Component C: Other financial matters

COMPONENT A: STATEMENTS OF FINANCIAL PERFORMANCE

Introduction to Financial Statements

The Elias Motsoaledi Local Municipality handed over the annual financial statements to the Auditor General Limpopo, as per the Municipal Finance Management Act, on 31 August 2013 for the financial year 2012/13. The components below will be discussed in detail:

5.1 STATEMENTS OF FINANCIAL PERFORMANCE

Description R thousands	2011/12	Current Year 2012/13			2012/13 Variance	
	Audited Outcome	Original Budget	Adjusted Budget	Actual	Original Budget (%)	Adjusted Budget (%)
<u>Financial Performance</u>						
Property rates	11,033	17,936	17,936	17,900	-0,20	-0,20
Service charges	50,460	71,998	71,998	54,469	-32,18	-32,18
Investment revenue	5,156	8,658	6,158	5,062	-71,04	-21,65
Transfers recognised – operational	117,269	132,856	132,856	132,856	0,00	0,00
Other own revenue	16,013	12,174	14,674	13,550	10,15	-8,30
Total Revenue (excluding capital transfers and contributions)	199,931	243,622	243,622	223,837	-8,84	-8,84
Employee costs	60,520	77,176	74,017	73,615	-4,84	-0,55
Remuneration of councillors	14,405	12,908	13,590	14,701	12,20	7,56
Depreciation & asset impairment	32,124	7,000	7,000	32,894	78,21	78,21
Finance charges	287	–	–	113	-	-
Materials and bulk purchases	40,739	54,390	54,040	46,120	-17,93	-17,17
Transfers and grants	2,552	2,470	2,470	2,483	0,52	0,52

Other expenditure	53,090	67,448	70,299	59,020	-14,28	-19,11
Total Expenditure	203,71	221,39	221,41	228,94	3,30	3,29
Surplus/(Deficit)	(3,785)	22,229	22,206	(5,110)	-335,01	-335,56
Transfers recognised – capital	29,037	35,223	35,223	35,223	0,00	0,00
Contributions recognised - capital & contributed assets	–	–	–	–	–	–
Surplus/(Deficit) after capital transfers & contributions	25,252	57,452	57,429	30,113	-90,79	-90,71
Share of surplus/ (deficit) of associate	–	–	–	–	–	–
Surplus/(Deficit) for the year	25,252	57,452	57,429	30,113	-90,79	-90,71
<u>Capital expenditure & funds sources</u>						
	103,75					
Capital expenditure	7	57,412	57,412	47,355	-21,24	-21,24
Transfers recognised – capital	29,037	35,223	35,223	35,223	0,00	0,00
Public contributions & donations	–	–	–	–	–	–
Borrowing	–	–	–	–	–	–
Internally generated funds	74,720	22,189	22,189	12,132	-82,90	-82,90
	103,75					
Total sources of capital funds	7	57,412	57,412	47,355	-21,24	-21,24
<u>Financial position</u>						
Total current assets	52,802	76,803	44,803	65,801	-16,72	31,91
	844,12	736,36	826,77	784,79		
Total non-current assets	2	2	3	7	6,17	-5,35
Total current liabilities	50,564	37,325	4,681	40,173	7,09	88,35
Total non-current liabilities	25,592	21,452	21,452	25,923	17,25	17,25
	820,76	754,38	845,44	784,50		
Community wealth/Equity	8	8	3	2	3,84	-7,77
<u>Cash flows</u>						
Net cash from (used) operating	77,505	73,665	73,665	58,196	-26,58	-26,58
Net cash from (used) investing	(102,169)	(57,412)	(57,412)	(51,471)	-11,54	-11,54
Net cash from (used) financing	(3,714)	(4,320)	(4,320)	1,106	290,60	290,60
Cash/cash equivalents at year end	7,476	17,600	17,600	15,306	-14,99	-14,99
<u>Cash backing/surplus reconciliation</u>						
Cash and investments	7,476	17,600	17,600	15,306	-14,99	-14,99

available						
Application of cash and investments						
Balance - surplus (shortfall)	7,476	17,600	17,600	15,306	-14,99	-14,99
<u>Asset management</u>						
Asset register summary (WDV)	717,845	785,273	785,273	776,413	1,14	1,14
Depreciation & asset impairment	32,124	7,000	7,000	32,895	78,72	78,72
Renewal of existing Assets	-	4,957	5,116	4,000	-23,93	-27,90
Repairs and maintenance	8,939	4,935	5,094	5,638	12,47	9,65
<u>Free services</u>						
Cost of free basic services provided	4,734	1,250	-	1,250		
Revenue cost of free services provided	10,648	11,105	-	11,105		
<u>Households below minimum service level</u>						
Water:	-	-	-	-		
Sanitation/sewerage:	-	-	-	-		
Energy:	-	-	-	-		
Refuse:	0	0	0	0		

Variances are calculated by dividing the difference between original/adjustments budget, by the actual

Standard Classification Description R Thousands	Ref 1	2011/12	Current Year 2012/13			2012/13 Variance	
		Audited Outcome	Original Budget	Adjusted Budget	Actual	Original Budget (%)	Adjusted Budget (%)
<u>Expenditure - Standard Governance and administration</u>		121,841	108,054	111,663	100,312	-7,72	-11,32
Executive and council Budget and treasury office		42,447	45,879	51,249	40,841	-12,34	-25,48
Corporate services		60,944	35,508	33,564	31,290	-13,48	-7,27
		18,450	26,667	26,850	28,182	5,38	4,73
<u>Community and public safety</u>		9,713	3,637	15,464	12,808	71,60	-20,74
Community and social services		9,228	2,213	3,379	2,937	24,65	-15,05

						-	
						1,600,0	
Sport and recreation		451	255	155	15	0	-933,00
Public safety		-	60	11,627	9,857	99,39	-17,96
Housing		-	-	-	-	-	-
Health		34	1,109	303	--	0,00	0,00
Economic and environmental services		24,337	41,071	27,522	19,175	-114,19	-43,53
Planning and development		24,337	40,071	27,522	19,175	-108,96	-43,53
Road transport		-	1000	-	-	0,00	0,00
Environmental protection		-	-	-	-	-	-
Trading services		49,247	68,719	66,767	52,388	-31,17	-27,45
Electricity		39,359	56,828	55,886	44,172	-28,65	-26,52
Water		-	-	-	-	-	-
Wastewater management		-	-	-	-	-	-
Waste management		9,888	11,891	10,881	8,216	-44,73	-32,44
Other	4	-	-	-	-	-	-
Total Expenditure - Standard	3	205,138	221,481	221,416	184,684	-19,92	-19,89

Variances are calculated by dividing the difference between original/adjustments budget, by the actual.

COMMENT ON FINANCIAL PERFORMANCE

Revenue

Property rates

The budgeted amount for Property rates for 2012/13 financial year was R17,936 million which was never adjusted. The line item had an unfavourable variance of 0.20%.

Service charges

This is made up of service charges for electricity and refuse removal and the budget thereof was R71, 998 and it had an unfavourable variance of 32,18% that is deemed to be material.

Investment revenue

The budgeted amount for interest on investment was R8,658 million which was adjusted downward to R6,158 million and it had an unfavourable variance of 71,04% based on original budget and unfavourable variance of 21,65% based on adjusted budget.

Transfer recognized

Budget of R132,856 million was set for revenue to be realised from conditional grants received and all the conditional grants that were transferred during 2012/13 financial year were spent, hence there is no variance.

Other Income

Original budget for other income was R12,174 million and it was adjusted upwards to R14,674 million and only R13,550 million was realised and this resulted in a favourable variance of 10,15% based on original budget and unfavourable budget of 8,30% based on adjusted budget.

Expenditure

Employee related cost

Employee related cost for 2012/13 financial year was 34,86% of the total operating budget. An amount of R77,176 million was originally budgeted for and it was adjusted downward to R74,017 million and it had unfavourable variance of 4,84% and 0,55% based on original budget and adjusted budget respectively and these variances are deemed to be immaterial.

Depreciation and asset impairment

Provision was made in the budget for capital asset depreciation and impairment and the budget thereof was significantly understated by 78,21%. According to GRAP 17 standard, all work in progress capital projects are not depreciated. Only projects completed and commissioned must be depreciated

Finance charges:

Finance cost was not budgeted for in 2012/13 financial year.

Other Expenditure: Lack of internal control - also refers to irregular, fruitless and wasteful in AFS 30 June 2012.

Materials and bulk purchases

Bulk purchases line item was mainly for purchase of electricity. An unfavourable variance of 17,93% and 17,17% was experienced based on original budget and adjusted budget respectively.

Transfers and grants – paid out

Transfers and grants refer to subsidies made to indigent and pensioners consumers. The subsidies were done in the form of special rebates on property rates, free basic services, etc given to poor households.

5.2 GRANTS

Description R Thousands	2011/12	Current Year 2012/13			2012/13 Variance	
	Audited Outcome	Original Budget	Adjusted Budget	Actual	Original Budget (%)	Adjustment Budget (%)
RECEIPTS:						
<u>Operating Transfers and Grants</u>						
National Government:	117,174	132,856	132,856	132,856	0,00	0,00
Local government equitable share	114,134	129,556	129,556	129,556	0,00	0,00
EPWP incentive	1000	1000	1000	1,000	0,00	0,00
FMG grant	1,250	1,500	1,500	1,500	0,00	0,00
MSIG grant	790	800	800	800	0,00	0,00
National electrification grant (DME)	-	-	-	-	-	-
Provincial Government:	-	-	-	-	-	-
N/A	-	-	-	-	-	-
	-	-	-	-	-	-
District Municipality:	-	-	-	-	-	-
N/A	-	-	-	-	-	-
	-	-	-	-	-	-
Other grant providers:	-	-	-	-	-	-
N/A	-	-	-	-	-	-
	-	-	-	-	-	-
Total Operating Transfers and Grants	117,174	132,856	132,856	132,856	0,00	0,00
Variances are calculated by dividing the difference between original/adjustments budget, by the actual.						

COMMENT ON OPERATING TRANSFERS AND GRANTS:

All grants gazetted for 2012/13 financial year were received and spent in full indicating a good performance and MIG expenditure of 100% was also achieved.

COMMENT ON CONDITIONAL GRANTS AND GRANTS RECEIVED FROM OTHER SOURCES:

No grants were received from other sources.

T5.2.4

5.3 ASSET MANAGEMENT

INTRODUCTION TO ASSET MANAGEMENT

The municipality capitalised all completed projects during the year under review. Below is a detailed description of the infrastructure projects:

T5.3.1

COMMENT ON ASSET MANAGEMENT:

The municipality unbundled all assets as previously notified by the Auditor General, to fully comply with the GRAP standards. A new asset management policy was also approved by council.

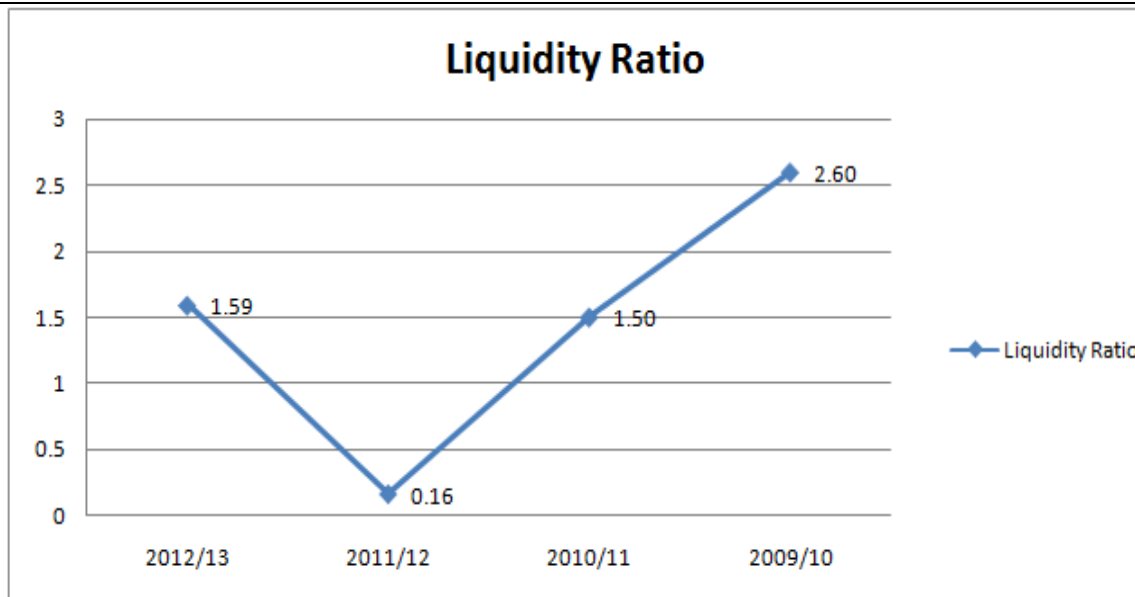
T5.3.3

Repairs and Maintenance Expenditure 2012/13						
Description	2011/12	Current Year 2012/13			2012/13 Variance	
R Thousands	Audited Outcome	Original Budget	Adjusted Budget	Actual	Original Budget (%)	Adjustment Budget (%)
Repairs and maintenance expenditure	8,939	4,935	5,094	5,638	12,47	10,68

COMMENT ON REPAIR AND MAINTENANCE EXPENDITURE:

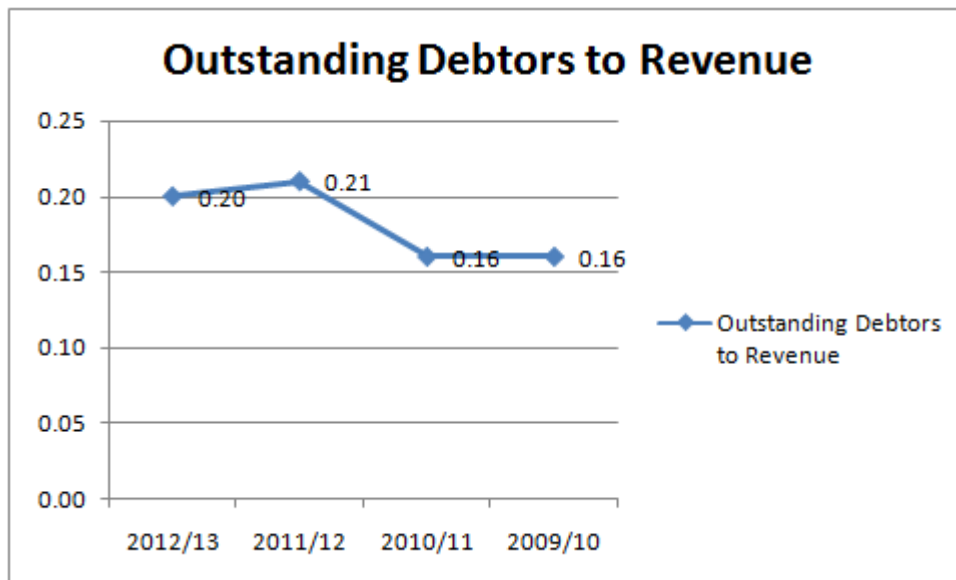
The repairs and maintenance budget represent 2,30% of the total operating budget. A total of R5,638 million was spent, reflecting an overspending of 12,47% and 10,68% based on original budget and adjusted budget respectively.

5.4 FINANCIAL RATIOS BASED ON KEY PERFORMANCE INDICATORS



Liquidity Ratio – Measures the municipality's ability to pay its bills, and is calculated by dividing the monetary assets by the municipality's current liabilities. A higher ratio is better.

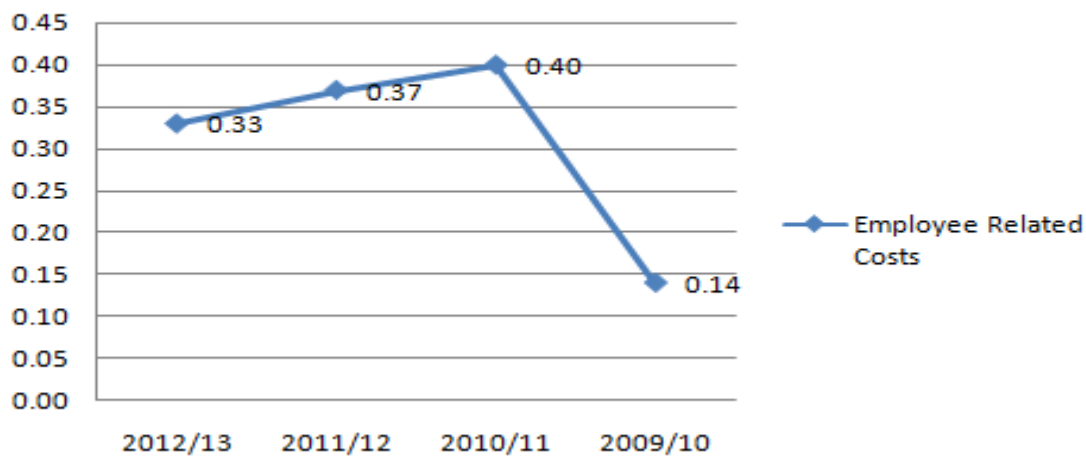
T5.4.1



Outstanding Service Debtors to Revenue - Measures how much money is still owed by the community for electricity, waste removal and other services, compared to how much money has been paid for these services. It is calculated by dividing the total outstanding debtors, by the total annual revenue. A lower score is better.

T5.4.2

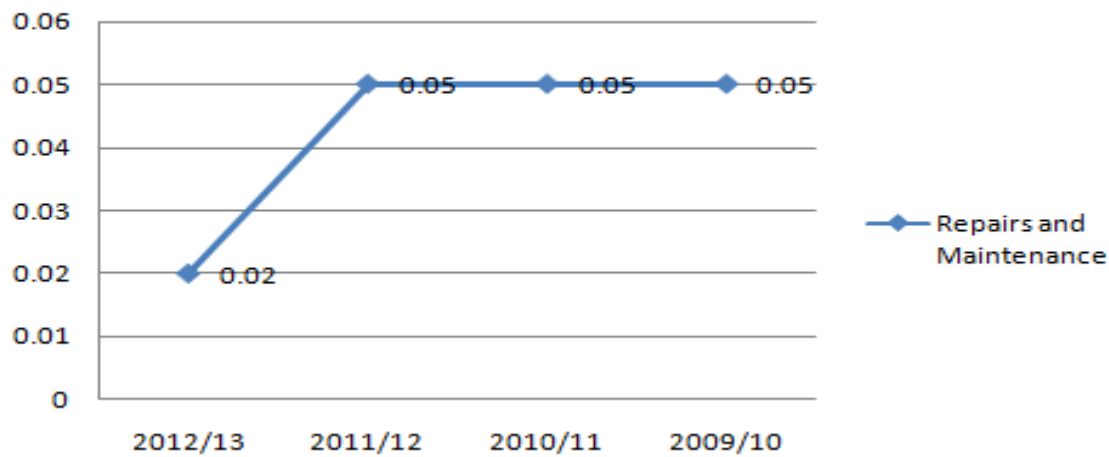
Employee Related Costs



Employee Cost 0 Measures what portion of revenue was spent on paying employee costs. It is calculated by dividing the total employee cost by the difference between total revenue and capital revenue.

T5.4.5

Repairs and Maintenance



Repairs and Maintenance - This represent the proportion of operating expenditure spent, and is calculated by dividing the total repairs and maintenance by total revenue excluding capital revenue.

T5.4.7

COMMENT ON FINANCIAL RATIOS:

The municipality is in a process of improving its ability to spend the 10% threshold of operating expenditure for repairs and maintenance. Liquidity will also improve as the municipality has placed stringent internal controls over unnecessary expenditure, in order to improve the cash flow situation.

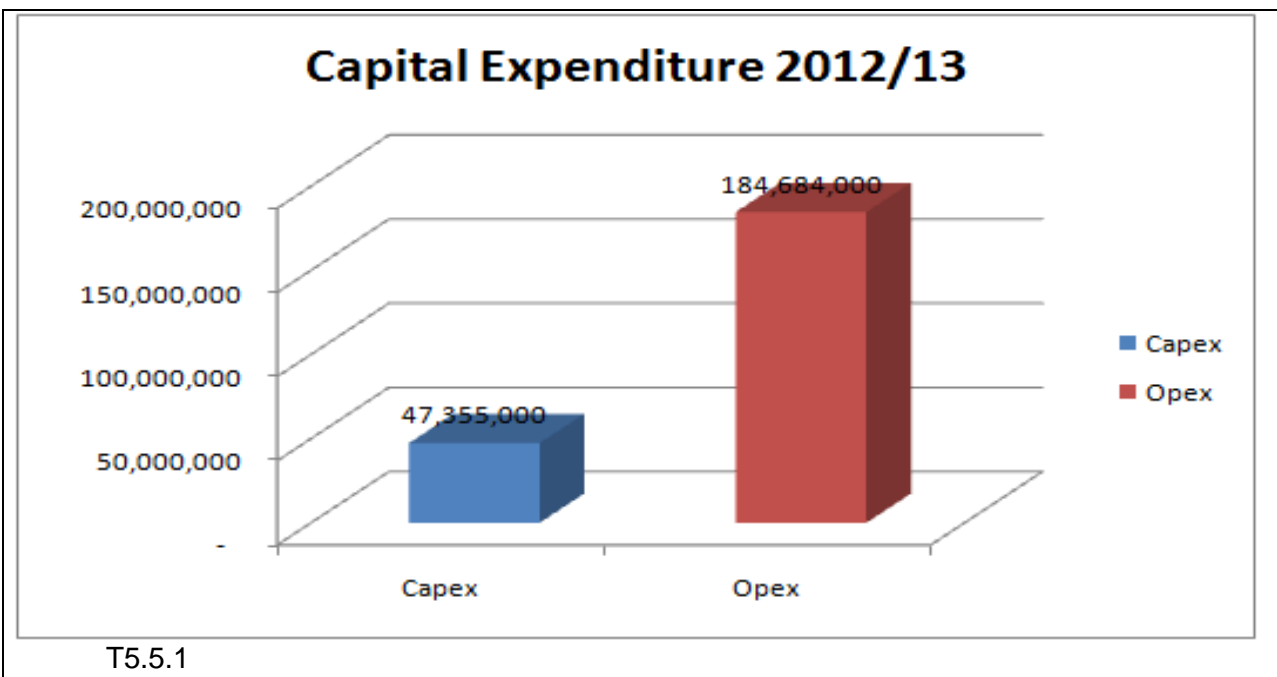
T5.4.8

COMPONENT B: SPENDING AGAINST CAPITAL BUDGET

INTRODUCTION TO SPENDING AGAINST CAPITAL BUDGET

Capital expenditure relates mainly to construction of projects that will have value lasting over many years. Capital expenditure is funded from grants and own revenue. Component B deals with capital spending, indicating where the funding comes from and whether the Municipality is able to spend the available funding as planned. In this component, it is important to indicate the different sources of funding as well as how these funds are spent.

5.5 CAPITAL EXPENDITURE



5.6 SOURCES OF FINANCE

Capital Expenditure – Funding Sources 2011/12 - 2012/13						
R'000						
Details	2011/12	2012/13				
	Actual	Original Budget (OB)	Adjustment Budget	Actual	Adjustment to OB Variance (%)	Actual to OB Variance (%)
Source of finance						
External loans						
Public contributions and donations						
Grants and subsidies	29,037	35,223	35,223	35,223	0,00	0,00
Other	74,720	22,189	22,189	12,132	0,00	-82,90
Total	103,757	57,412	57,412	47,355	0,00	-21,24
<i>Percentage of finance</i>						
External loans						
Public contributions and donations						
Grants and subsidies	27,98%	61,35%	61,35%	74,38%		
Other	72,02%	38,65%	38,65%	25,62%		
Capital expenditure						
Water and sanitation	-	-	-	-		
Electricity	5,575	-	-	-		
Housing						
Roads and storm water	80,557	53,412	56,345	46,488	-14,89	-21,20
Other	17,625	2,000	1,067	867	-130,68	-23,06
Total	103,757	57,412	57,412	47,355		
<i>Percentage of expenditure</i>						
Electricity	5,37%	0,00%	0,00%	0,00%		
Housing						
Roads and storm water	77,64%	93,03%	98,14%	98,17%		
Other	16,99%	3,48%	1,86%	1,83%		

T5.6.1

COMMENT ON SOURCES OF FUNDING:

The budget was funded by DORA allocations (external grants) and internally-generated funds.

5.7 CAPITAL SPENDING ON FIVE LARGEST PROJECTS

Capital Expenditure on FiveLargest Projects*					
R'000					
Name of Project	Current Year			Variance Current Year	
	Original Budget	Adjustment Budget	Actual Expenditure	Original Variance (%)	Adjustment Variance (%)
A – Ramogwerane to Nkadimeng	19, 277,000	19,277,000	18,667,535	-3,26	-3,26
B – Nyakelang Road	10,469,400	10,469,400	11,775,181	11,09	11,09
C - Groblersdal stand 885	5,774,615	5,774,615	5,084,430	-13,57	-13,57
D - Zaaiplaas bus route upgrade	5,665,400	5,665,400	5,456,217	96,31	96,31
E – Roads to magoshi	2,389,000	2,389,000	1,471,685	-62,33	62,33
*Project with the highest capital expenditure in 2012/13					
Name of Project - A		Ramogwerane to Nkadimeng			
Objective of project		To improve municipal roads’ infrastructure for socio-economic growth			
Delays		Yes			
Future challenges		The area is well known of challenges of underground and if done in phases that must be taken into consideration on the budget as the situation continue to go on between designs and construction.			
Anticipated citizen benefits		Job creation, skills transferred and improved road infrastructure			
Name of Project - B		Nyakelang upgrading			
Objective of project		To improve municipal roads’ infrastructure for socio-economic growth			
Delays		None			
Future challenges					
Anticipated citizen benefits		Job creation, skills transferred and improved road infrastructure			
Name of Project - C		Groblersdal Stand 885			
Objective of project		To improve municipal town			

Delays	None
Future challenges	
Anticipated citizen benefits	Job creation, skills transferred and improved town development
Name of Project - D	Zaaiplaas bus route upgrade
Objective of project	To improve municipal roads' infrastructure for socio-economic growth
Delays	No
Future challenges	The area has underground hard rock which also need to be considered during designs.
Anticipated citizen benefits	Job creation, skills transferred and improved road infrastructure
Name of Project –E	Roads to Magoshi
Objective of project	To improve municipal roads' infrastructure for socio-economic growth
Delays	No
Future challenges	Storm water challenges and maintenance
Anticipated citizen benefits	Job creation, skills transferred and improved road infrastructure
T5.7.1	

COMMENT ON CAPITAL PROJECTS:

The municipality Managed to complete all capital projects for 2012/13 financial year including roll overs and the challenge is on the funding source as the Municipality have a huge backlog on roads infrastructure and maintenance.

T5.7.1.1

5.8 BASIC SERVICE AND INFRASTRUCTURE BACKLOGS - OVERVIEW

INTRODUCTION TO BASIC SERVICE AND INFRASTRUCTURE BACKLOGS

There is still huge backlog in terms of Basic Infrastructure that is Water and Sanitation which is implemented at District level. The backlog for Electricity is not that huge as most households have access to electricity.

Service Backlogs as at 30 June 2012				
Households (HHs)				
	*Service level above minimum standard		**Service level below minimum standard	
	No HHs	% HHs	No HHs	% HHs
Electricity	57814	96%	2350	3.9%
Waste management				
Housing				

COMMENT ON BACKLOGS:

The electricity backlog is not that huge and the challenge is on the Eskom site as there is no network capacity for connections on some areas.

Roads and storm water as key function of the municipality is being implemented by MIG funds and own funding. The municipality has a serious backlog on roads and storm water and has challenges of resources and lack of funding to enable them to deal with the backlog.

There is a serious challenge on the maintenance backlog for roads and storm water and most of our roads are not accessible. There is a maintenance programme for gravel and dirt road and the challenge is that there are no sufficient resources of Machinery and plant to maintain the roads. The impact on the programme is not being realized.

Municipal Infrastructure Grant (MIG)* Expenditure 2012/13 on Service backlogs						
Details	Budget	Adjust - ments budge t	Actual	Variance		Major conditions applied by donor (continue below if necessary)
Infrastructure - Road Transport				%	%	
<i>Roads, Pavements & Bridges</i>	35 223	0	35 223	%	%	None
<i>Stormwater</i>				%	%	
Infrastructure - Electricity				%	%	
<i>Generation</i>				%	%	
<i>Street Lighting</i>				%	%	
Infrastructure – Other				%	%	
<i>Waste management</i>				%	%	
<i>Transportation</i>				%	%	
<i>Gas</i>				%	%	
Other:				%	%	
				%	%	
Total				%	%	
<p>*MIG is a government grant program designed to fund a reduction in service backlogs, Mainly: Water, Sanitation, Roads, Electricity on new, upgraded and renewed Infrastructure is set out at Appendix M; note also the calculation of the variation. Variances are calculated by dividing the difference between actual and original/adjustments budget by the actual.</p>						

COMPONENT C: CASH FLOW MANAGEMENT AND INVESTMENTS

INTRODUCTION TO CASH FLOW MANAGEMENT AND INVESTMENTS

The financial health position of Council is largely dependant on the cash flow position of the Municipality. The cash and cash equivalents of the Municipality as at end of the financial year increased from R7,476 million (30 June 2012) to R15,306 million (30 June 2013)

Cash-Flow Outcomes				
Description	2011/12	Current Year 2012/13		
	Audited Outcome	Original Budget	Adjustment Budget	Actual
<u>Cash-Flow From Operating Activities</u>				
Receipts	225,203,178	243,622,000	243,622,000	259,981,429
Fines	1,031,214	1,063,000	1,063,000	791,600
Sale of goods and services	64,337,335	89,934,000	89,934,000	75,546,718
Government grants	146,306,000	168,079,000	168,079,000	168,079,000
Interest	4,924,875	8,685,000	6,158,000	5,061,776
Other income	3,233,337	6,111,000	8,611,000	4,782,258
Licences and permits	5,370,417	5,000,000	5,000,000	5,720,077
Payments	(147,694,868)	(210,693,000)	(210,716,000)	(201,785,614)
Employee costs	(74,844,644)	(90,084,000)	(87,607,000)	(88,331,510)
Finance charges	(286,676)			(113,093)
Suppliers	(72,568,548)	(120,608,000)	(123,109,000)	(113,341,011)
Net Cash From/(Used) Operating Activities	77,508,310	32,929,000	32,906,000	58,195,815
<u>Cash Flow From Investing Activities</u>				
Receipts				
Proceeds on disposal of PPE	3,905,971			9,071
Payments				
Capital Assets	(106,074,982)			(51,480,172)
Net Cash From/(Used) Investing Activities	(102,169,011)	0,00	0,00	(51,471,101)
<u>Cash Flows From Financing Activities</u>				
Receipts				
Short-term loans				
Borrowings long-term/refinancing				
Increase/(decrease in consumer deposits)				1,105,973
Payments				
Repayment of other	(3,713,831)			

financial liabilities				
Net Cash From/(Used) Financing Activities	(3,713,831)	0,00	0,00	1,105,973
Net Increase/(Decrease) in Cash Held	(28,377,532)	32,929,000	32,906,000	7,830,687
Cash/cash equivalents at the year beginning	35,853,324	7,475,792	7,475,792	7, 475,792
Cash/cash equivalents at the year end:	7,475,792	40,404,792	40,381,792	15,306,479

COMMENT ON CASH-FLOW OUTCOMES:

Cash and cash equivalent of the Municipality is made up of cash in the primary and PHP bank accounts and all the short term investments.

5.10 BORROWING AND INVESTMENTS

INTRODUCTION TO BORROWING AND INVESTMENTS

Actual Borrowings 2009/10 - 2011/12			
R'000			
Instrument	2009/10	2010/11	2011/12
<u>Municipality</u>			
Long-term loans (annuity/reducing balance)	n/a	n/a	n/a
Long-term loans (non-annuity)	n/a	n/a	n/a
Local registered stock	n/a	n/a	n/a
Instalment credit	n/a	n/a	n/a
Financial leases	n/a	n/a	n/a
PPP liabilities	n/a	n/a	n/a
Finance granted by cap equipment supplier	n/a	n/a	n/a
Marketable bonds	n/a	n/a	n/a
Non-marketable bonds	n/a	n/a	n/a
Bankers acceptances	n/a	n/a	n/a
Financial derivatives	n/a	n/a	n/a
Other securities	n/a	n/a	n/a
Municipal Total	n/a	n/a	n/a
	n/a	n/a	n/a
<u>Municipal Entities</u>	n/a	n/a	n/a
Long-term Loans (annuity/reducing balance)	n/a	n/a	n/a
Long-term Loans (non-annuity)	n/a	n/a	n/a

Local registered stock	n/a	n/a	n/a
Instalment credit	n/a	n/a	n/a
Financial leases	n/a	n/a	n/a
PPP liabilities	n/a	n/a	n/a
Finance granted by cap equipment supplier	n/a	n/a	n/a
Marketable bonds	n/a	n/a	n/a
Non-Marketable bonds	n/a	n/a	n/a
Bankers acceptances	n/a	n/a	n/a
Financial derivatives	n/a	n/a	n/a
Other Securities	n/a	n/a	n/a
Entities Total	n/a	n/a	n/a

Municipal and Entity Investments 2010/11 - 2012/13			
R'000			
Investment type	2010/11 Actual	2011/12 Actual	2012/13 Actual
<u>Municipality</u>			
Securities - national government	–	–	–
Listed corporate bonds	–	–	–
Deposits -bank	36,319,710	7,292,738	14,051,271
Deposits -public investment commissioners	–	–	–
Deposits -corporation for public deposits	–	–	–
Bankers'acceptance certificates	–	–	–
Negotiable certificates of deposit - Banks	–	–	–
Guaranteed endowment policies (sinking)	–	–	–
Repurchase agreements - Banks	–	–	–
Municipal bonds	–	–	–
Other	–	–	–
Municipal Sub-Total	36,319,710	7,292,738	14,051,271
<u>Municipal Entities</u>			
Securities - National government	–	–	–
Listed corporate bonds	–	–	–
Deposits - Bank	–	–	–
Deposits - Public Investment Commissioners	–	–	–
Deposits - Corporation for Public Deposits	–	–	–
Bankers' acceptance certificates	–	–	–
Negotiable certificates of deposit- Banks	–	–	–
Guaranteed endowment policies (sinking)	–	–	–
Repurchase agreements – Banks	–	–	–
Municipal bonds	–	–	–
Other	–	–	–
Entities Sub-Total	–	–	–

Consolidated Total:	36,319,710	7,292,738	14,051,271

COMMENT ON BORROWING AND INVESTMENTS:

The Municipality did not have borrowing during the 2012/13 financial year, however the closing balance on Investments was R14,051 million.

5.11 PUBLIC-PRIVATE PARTNERSHIPS

PUBLIC-PRIVATE PARTNERSHIPS

Not applicable

T5.11

COMPONENT D: OTHER FINANCIAL MATTERS

5.12 SUPPLY CHAIN MANAGEMENT

SUPPLY CHAIN MANAGEMENT

The supply chain management policy of the municipality is in place to ensure compliance with legislation. There is still a need of SCM officials to be capacitated. They only attended of the municipality also pertinent courses during the year to ensure that all officials within the SCM obtain the required minimum competenc

5.13 GRAP COMPLIANCE

GRAP COMPLIANCE

GRAP is the acronym for Generally Recognized Accounting Practice and it provides the rules by which municipalities are required to maintain their financial accounts. Successful GRAP compliance will ensure that municipal accounts are comparable and more informative for the municipality. It will also ensure that the municipality is more accountable to its citizens and other stakeholders. Information on GRAP compliance is needed to enable National Treasury to assess the pace of progress and consider the implications.

CHAPTER 6

AUDITOR GENERAL'S REPORT

COMPONENT A: AUDITOR GENERAL'S OPINION OF FINANCIAL STATEMENTS

6.1 Auditor General's Report 2012/2013

REPORT OF THE AUDITOR-GENERAL TO THE LIMPOPO PROVINCIAL LEGISLATURE AND THE COUNCIL ON ELIAS MOTSOLEDI LOCAL MUNICIPALITY

REPORT ON THE FINANCIAL STATEMENTS

Introduction

1. I have audited the financial statements of Elias Motsoaledi Local Municipality set out on pages XX to XX, which comprise the statement of financial position as at 30 June 2013, the statement of financial performance, statement of changes in net assets and cash flows for the year then ended, and the notes, comprising a summary of significant accounting policies and other explanatory information.

Accounting officer's responsibility for the financial statements

2. The accounting officer is responsible for the preparation and fair presentation of these financial statements in accordance with South African Standards of Generally Recognised Accounting Practice (SA Standards of GRAP) and the requirements of the Municipal Finance Management Act of South Africa, 2003 (Act No. 56 of 2003) (MFMA) and the Division of Revenue Act, 2011 (Act No. 6 of 2011) (DoRA) and for such internal control as the accounting officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor-General's responsibility

3. My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with the Public Audit Act of South Africa, 2004 (Act No. 25 of 2004) (PAA), the *General Notice* issued in terms thereof and International Standards on Auditing. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.
4. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.
5. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my qualified audit opinion.

Basis for qualified opinion

Investment property

6. I was unable to obtain sufficient appropriate audit evidence for the restatement of the corresponding figure for investment property. As described in note 5 to the financial statements, the restatement was made in order to rectify a prior year misstatement. I was unable to confirm the restatement by alternative means. Consequently I was unable to determine whether any adjustment to the investment property corresponding figure stated at R147 867 000 in the financial statements was necessary.

Property, plant and equipment

7. I was unable to obtain sufficient appropriate audit evidence for an impairment amount of R10 276 900 included in the property, plant and equipment balance of R672 910 096 disclosed in note 6 to the financial statements. The municipality's records did not permit the application of alternative procedures. Consequently I was unable to determine whether any adjustment relating to the impairment of property, plant and equipment in the financial statements was necessary.
8. I was unable to obtain sufficient appropriate audit evidence for the restatement of the corresponding figure for property, plant and equipment. As described in note 6 to the financial statements, the restatement was made in order to rectify a prior year misstatement. I was unable to confirm the restatement by alternative means. Consequently I was unable to determine whether any adjustment to the property, plant and equipment corresponding figure stated at R183 051 381 in the financial statements was necessary.

Intangible assets

9. I was unable to obtain sufficient appropriate audit evidence regarding the intangible assets. I was unable to confirm the amount of the intangible assets by alternative means. Consequently I was unable to determine whether any adjustment relating to the intangible assets stated at R22 674 253 in the financial statements was necessary.

Irregular expenditure

10. Section 125(2)(d) of the MFMA requires the municipality to implement and maintain an appropriate procurement and provisioning system which is fair, equitable, transparent, competitive and cost-effective. Payments amounting to R17 939 970 were made in contravention of the supply chain management requirements and was not disclosed note 51 to the financial statements.

Aggregation of immaterial uncorrected misstatements

11. The financial statements as a whole are materially misstated due to the cumulative effect of numerous individually immaterial uncorrected misstatements in the following elements making up the statement of financial position and the statement of financial performance:
 - Revenue reflected as R72 289 042 is understated by R5 460 584
 - Consumer debtors reflected as R14 714 048 is understated by R5 421 160.
 - Payables from exchange transaction reflected as R28 375 003 is overstated by R4 502 584.As a result, I was unable to determine whether any adjustments to these elements were necessary.

Contingent asset

12. The municipality has not disclosed a contingent asset in respect of the uncertainties arising from the dispute declared by the unions and the pending litigation regarding the wage curve agreement. I was unable to confirm the contingent assets by alternative means.

Value Added Tax (VAT)

13. The municipality entered into an agency agreement with its district municipality for the provision of water. As the agent, the municipality has accounted for VAT on the water transactions in contravention with the VAT Act. The municipality also entered in to an agency agreement with the department of Roads and Transport for the collecting of license fees and issuing licenses and permits on behalf of the provincial government. The municipality did not account for output tax on the commission or agency fees for the services rendered in contravention with VAT act. Furthermore the municipality claimed VAT on non qualifying expenditure and also claimed the incorrect VAT amounts. I was unable to determine the correct amount of the VAT receivable balance of R10 154 624 (2012: R7 878 000) as disclosed in note 45 as it was impractical to do so.

Opinion

14. In my opinion, except for the effects of the matters described in the Basis for qualified opinion paragraphs, the financial statements present fairly, in all material respects, the financial position of Elias Motsoaledi Local Municipality as at 30 June 2013 and its financial performance and cash flows for the year then ended, in accordance with South African Standards of Generally Recognised Accounting Practice (SA Standards of GRAP) and the requirements of the MFMA.

Emphasis of matters

15. I draw attention to the matters below. My opinion is not modified in respect of these matters:

Restatement of corresponding figures

16. As disclosed in note 45 to the financial statements, the corresponding figures for 30 June 2012 have been restated as a result of an error discovered during 2013 in the financial statements of Elias Motsoaledi Local Municipality at, and for the year ended, 30 June 2012.

Impairments

17. As disclosed in note 15 to the financial statements, the municipality made material impairments to the amount of R3 544 134 and R17 117 159 for receivables from exchange transactions and from non-exchange transactions respectively, as a result of inadequate collection practices.

Unauthorised expenditure

18. As disclosed in note 50 to the financial statements, the municipality incurred unauthorised expenditure of R38 681 636 as a result of exceeding the total amount appropriated for a vote in the approved budget.

Additional matters

19. I draw attention to the matter below. My opinion is not modified in respect of this matter:

Unaudited supplementary schedules

20. The municipality provided supplementary information in the financial statements on whether resources were obtained and used according to the legally adopted budget, in accordance with GRAP 1, *Presentation of financial statements*. The supplementary budget information

set out on pages XX to XX does not form part of the financial statements and is presented as additional information. Accordingly, I do not express an opinion thereon.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

21. In accordance with the PAA and the *General Notice* issued in terms thereof, I report the following findings relevant to performance against predetermined objectives, compliance with laws and regulations and internal control, but not for the purpose of expressing an opinion.

Predetermined objectives

22. I performed procedures to obtain evidence about the usefulness and reliability of the information in the annual performance report as set out on pages XX to XX of the annual report.
23. The reported performance against predetermined objectives was evaluated against the overall criteria of usefulness and reliability. The usefulness of information in the annual performance report relates to whether it is presented in accordance with the National Treasury's annual reporting principles and whether the reported performance is consistent with the planned development priorities or objectives. The usefulness of information further relates to whether indicators and targets are measurable (i.e. well defined, verifiable, specific, measurable and time bound) and relevant as required by the *National Treasury Framework for managing programme performance information*.

The reliability of the information in respect of the selected development priorities or objectives is assessed to determine whether it adequately reflects the facts (i.e. whether it is valid, accurate and complete).

24. The material findings are as follows:

Usefulness of information

Presentation

Measures taken to improve performance not supported by sufficient appropriate evidence

25. Section 46 of the Municipal Systems Act requires disclosure in the annual performance report of measures taken to improve performance where planned targets were not achieved. Adequate and reliable corroborating evidence could not be provided for 80% of measures taken to improve performance as disclosed in the annual performance report. The municipality's records did not permit the application of alternative audit procedures. Consequently, I did not obtain sufficient appropriate audit evidence to satisfy myself as to the validity of the measures taken to improve performance.

Consistency

26. The Municipal Systems Act, section 41(c) requires that the integrated development plan should form the basis for the annual report, therefore requiring consistency of objectives, indicators and targets between planning and reporting documents. A total of 23% of the reported targets are not consistent with the targets as per the approved integrated development plan. This is due to the lack of developed internal policies and procedures for performance information management and reporting.
27. Section 25(2) of the Municipal Systems Act determines that an integrated development plan adopted by a municipal council may be amended in terms of section 34 and remains in force until an integrated development plan is adopted by the next elected council. Therefore, if the

integrated development plan is changed in-year this process has to take place in accordance with the process as prescribed per section 34 of the Municipal Systems Act.

A total of 100% of targets reported in the annual performance report were changed in-year without following the process as prescribed in section 34 of the Municipal Systems Act and without adoption by the council of the municipality. This was due to a lack of monitoring and review mechanisms over performance reporting.

Measurability

28. The National Treasury *Framework for managing programme performance information (FMPPi)* requires that performance targets be specific in clearly identifying the nature and required level of performance. A total of 25% of significantly important targets in relation to the core mandate of the municipality and being of significant public interest were not specific in clearly identifying the nature and the required level of performance. This was due to the fact that management was aware of the requirements of the *FMPPi* but chose not to apply the principles contained in the *FMPPi*.
29. The National Treasury *FMPPi* requires that performance targets be measurable. The required performance could not be measured for a total of 29% of the targets relevant to..... This was due to the fact that management was aware of the requirements of the *FMPPi* but chose not to apply the principles contained in the *FMPPi*.
30. The National Treasury *FMPPi* requires that indicators/measures should have clear unambiguous data definitions so that data is collected consistently and is easy to understand and use. 100% of the significantly important indicators in relation to the core mandate of the municipality and being of significant public interest were not well defined in that clear, unambiguous data definitions were not available to allow for data to be collected consistently. This was due to the fact management was aware of the requirements of the *FMPPi* but did not receive the necessary training to enable application of the principles.
31. The National Treasury *FMPPi* requires that it must be possible to validate the processes and systems that produce the indicator. A total of 29% of the significantly important indicators in relation to the core mandate of the municipality were not verifiable in that valid processes and systems that produce the information on actual performance did not exist. This was due to the fact that management was aware of the requirements of the *FMPPi* but chose not to apply the principles contained in the *FMPPi*.

Reliability of information

Supporting documentation provided is not valid and accurate

32. The National Treasury *Framework for managing programme performance information (FMPPi)* requires that institutions should have appropriate systems to collect, collate, verify and store performance information to ensure valid, accurate and complete reporting of actual achievements against planned objectives, indicators and targets. I was unable to obtain the information and explanations I considered necessary to satisfy myself as to the validity and accuracy of information presented with respect to *KPA 1: Spatial Rationale and KPA 2: Infrastructure and Basic Service Delivery*. This was due the fact that the municipality could not provide sufficient appropriate evidence in support of the information presented with respect to these objectives

Compliance with laws and regulations

33. I performed procedures to obtain evidence that the entity has complied with applicable laws and regulations regarding financial matters, financial management and other related matters. My findings on material non-compliance with specific matters in key applicable laws and regulations as set out in the *General Notice* issued in terms of the PAA are as follows:

Annual financial statements, performance and annual report

34. The annual performance report for the year under review does not include a comparison with the previous financial year and measures taken to improve performance, as required by section 46 (1)(a) of the Municipal Systems Act.
35. The financial statements submitted for auditing were not prepared in all material respects in accordance with the requirements of section 122 of the Municipal Finance Management Act. Material misstatements of current assets, liabilities, expenditure, disclosure items identified by the auditors in the submitted financial statements were subsequently corrected and the supporting records were provided subsequently, but the uncorrected material misstatements and supporting records that could not be provided resulted in the financial statements receiving a qualified audit opinion.
36. The municipality did not establish a proper performance management system, as required by section 38(a) of the Municipal Systems Act.
37. The municipality did not ensure that all of their invoices are paid within 30 days as required by section 65(2) of the Municipal Finance Management Act.
38. The municipality did not have a proper internal control system for revenue and receivables as required by section 64(2)(f) of the Municipal Finance Management Act.
39. Interest was not charged on all accounts in arrears, as required by section 64(2)(g) of the Municipal Finance and Management Act.

HR Management

40. An acting CFO was appointed for a period of more than six months, in contravention of section 56(1)(c) of the Municipal Systems Act.
41. The CFO was appointed without having met the prescribed minimum competency levels as required by section 56(1)(b) of the Municipal Systems Act.

Internal audit

42. The internal audit unit did not report to the audit committee on matters relating to compliance with the MFMA, the Division of Revenue Act and other applicable legislation, as required by section 165(2)(b) of the MFMA.

Strategic planning and performance management

43. The IDP adopted by the municipality does not reflect and identify the municipal council's vision for the long term development of the municipality and a financial plan, as required by sections 26 and 41 of the Municipal Systems Act.
44. The municipality did not give effect to its integrated development plan and conduct its affairs in a manner which was consistent with its integrated development plan, as required by

section 36 of the Municipal Systems Act, section 21(2)(a) of the Municipal Finance Management Act and Municipal planning and performance management regulation 6.

45. The municipality did not establish a proper performance management system, as required by section 38(a) of the Municipal Systems Act.
46. The performance management system of the municipality did not clarify the roles and responsibilities of each role-player in the functioning of the system, did not determine the frequency of reporting and the lines of accountability for performance and did not provide for procedures by which the system is linked to the municipality's integrated development planning processes, as required by section 38(a) of the Municipal Systems Act and Municipal planning and performance management regulation 7(2)(c).
47. The performance management system of the municipality did not provide for the monitoring of performance and for the measuring and review of performance at least once per year, with regard to each of those development priorities and objectives and against the key performance indicators and targets set, as required by section 41 of the Municipal Systems Act.
48. The performance management system of the municipality did not provide for taking steps to improve performance with regard to those development priorities and objectives where performance targets are not met, as required by section 41(1)(d) of the Municipal Systems Act.
49. The municipality did not set measurable performance targets for the financial year with regard to each of the development priorities and objectives and key performance indicators set out in the IDP, as required by section 41(1)(b) of the Municipal Systems Act and the Municipal planning and performance management regulation 12(1) and 12(2)(e).
50. The accounting officer of the municipality did not by 25 January assess the performance of the municipality during the first half of the financial year, as required by section 72(1)(a)(ii) of the Municipal Finance Management Act .
51. The internal audit did not adequately audit the results of performance measurements, as required by section 45(1)(a) of the Municipal Systems Act and Municipal planning and performance management regulation 14(1)(a).
52. The annual performance report for the year under review does not include a comparison with the previous financial year and measures taken to improve performance, as required by section 46(1)(b) and (c) of the Municipal Systems Act.

Internal control

53. I considered internal control relevant to my audit of the financial statements, annual performance report and compliance with laws and regulations. The matters reported below under the fundamentals of internal control are limited to the significant deficiencies that resulted in the basis for qualified opinion, the findings on the annual performance report and the findings on compliance with laws and regulations included in this report.

Leadership

54. Management does not always appropriately provide the required supervision and review over operations to ensure that the municipality complies with all laws and regulations and appoint the necessary skilled staff members.
55. Action plans regarding assets were not closely monitored, hence the recurring of findings identified in the prior year.

Financial and performance management

56. The municipality did not formulate and implement a record management policy and related procedures to ensure that all documentation is properly controlled.
57. Management did not implement the following daily and monthly controls as designed for the entity's business processes:
- Payments to creditors were not properly authorised by agreeing the payment to the detailed creditor statements.
 - The municipality did not perform reconciliations between the general ledger and the fixed asset register.
 - Adequate controls over daily and monthly processing and reconciling of transactions were not implemented.
58. Design and implementation of formal controls over IT systems to ensure the reliability of the systems and the availability, accuracy and protection of information was not implemented.
59. Regular, accurate and complete financial and performance reports that are supported and evidenced by reliable information was not implemented.

Governance

60. The internal audit function was outsourced for the year under review. The internal audit function did not have an approved internal audit charter for the year under review.
61. The municipality established an audit committee during the year under review. However it was found that the effectiveness of the audit committee was not assessed during the year under review.

Polokwane

30 November 2013



AUDITOR - GENERAL
SOUTH AFRICA

Auditing to build public confidence

COMPONENT B: AUDITOR GENERAL'S OPINION 2012/2013

6.2 Auditor General's report 2012/2013

Auditor-General's Report on Financial Performance 2012/13	
Audit Report Status*:	Qualified Opinion
Non-Compliance Issues	Remedial Action Taken
Attached as annexure "2"	Audit action plan in place

Auditor-General's Report on Service Delivery Performance 2012/2013	
Audit Report Status:	Qualified Opinion
Non-Compliance Issues	Remedial Action Taken
Attached as annexure "2"	Audit action plan in place

6.3 MUNICIPAL MANAGER AND CFO'S COMMENTS.

AUDITORS REPORT 2013 OF THE AUDITOR GENERAL TO THE ELIAS MOTSOALEDI LOCAL MUNICIPALITY.

PURPOSE

In terms of Section 126(1) of the MFMA the accounting officer of a municipality must:

"Prepare the annual financial statements of the municipality and, within two months after the end of the financial year to which those statements relate, submit the statements to the Auditor-General for auditing;"

The financial statement as on 30 June 2013 of the municipality was submitted to the Auditor General on the 31 August 2013.

In terms of section 126(3)(a)(b) of the MFMA the Auditor General must :

" audit those financial statements; and submit an audit report on those statements to the accounting officer of the municipality or entity within three months of receipt of the statements."

BACKGROUND

The Audit report 2013 was submitted to the Accounting Officer on the 09 December 2013.

Auditor-General's responsibility

My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with the Public Audit Act of South Africa, 2004 (Act No. 25 of 2001) (PAA), the *General Notice* issued in terms thereof and International Standards on Auditing. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

Opinion

In my opinion, except for the effects of the matters described in the Basis for qualified opinion paragraphs, the financial statements present fairly, in all material respects, the financial position of the Elias Motsoaledi Local municipality as at 30 June 2013, and its financial performance and cash flows for the year then ended in accordance with the South African Standards of Generally Recognised Accounting Practice (SA Standards of GRAP) and the requirements of the MFMA.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my **qualified audit opinion**.

LEGAL IMPLICATIONS

None

FINANCIAL IMPLICATIONS

None

RECOMMENDATIONS BY MUNICIPAL MANAGER

1. The Financial Statements as on 30 June 2013 of the municipality was submitted within two months of the financial year end to the Auditor General on the 31 August 2013.

2. Council takes note of the Audited Annual Financial Statements 30 June 2013.
3. The Auditor General Report 2013 was submitted to the Accounting Officer on the 09 December 2013.
4. The municipality has received a Qualified Audit Opinion for the financial year ended 30 June 2013 with a vast improvement on the previous financial year.
5. Council takes note of the comments by management with regards to the Basis for Audit Opinion attached as Annexure 2.

6. Council take note of the Audited Financial Statements (Annexure 1), Auditor General's Report (Annexure 2) Audit Action Plan(Annexure 3),Management Report with Annexures (Annexure 4).

AUDIT COMMITTEE

We are pleased to present our report for the financial year ended 30 June 2013.

Audit Committee Members and Attendance

The Audit Committee, consist of independent outside members who were appointed with effect from the 1st July 2012 and they performed their duties as legislated in section 166 of Municipal Finance Management Act. There has been 04 ordinary audit committee meetings and 06 special meetings for the year under review

Audit Committee Responsibility

The audit committee reports that since its appointment, it has fully complied with its responsibilities arising from section 166 of the MFMA. The Committee also reports that it has adopted the appropriate terms of reference as per the audit committee charter, has regulated its affairs in compliance with the charter and has fully discharged its responsibilities.

Evaluation of Financial Statements

The Audit Committee has:

- reviewed and discussed the unaudited annual financial statements to be included in the annual report with the Accounting Officer;
- reviewed and discussed the draft annual report with Accounting Officer

.....

KHOLONG T.S

CHAIRPERSON OF THE AUDIT COMMITTEE

Date: 04 FEBRUARY 2014

Comparison of performance targets

Spatial Rational	
2011/2012	2012/2013
123 land application processed	151 land use application processed
02 targets achieved	01 target achieved
Municipal Transformation	
low rating of IDP	high rating of IDT
0 vacant post of section 56 managers was filled	02 vacant post of section 56 managers filled.
121 employees were trained	40 employees trained
30 employees declared their financial interests	68 employees declared their financial interest
27 learners were assisted with experiential training	27 learners assisted with experiential training
04 council meetings held	03 council meetings held
0 lease agreements were reviewed	09 lease agreement reviewed
04 quarterly reports were compiled	04 quarterly reports compiled
10 targets achieved	22 targets achieved
Basic Services	
9331 household with access to refuse removal	9584 households with access to refuse removal
900 households with access to free basic electricity	800 households with free basic electricity
41 learners were assisted with mayor's bursary	37 learners were assisted with mayors bursary
02 road construction completed and 04 road designs completed	03 road construction completed and 01 road design completed
05 capital projects were rolled over to the financial year 2012/2013	0 capital projects were rolled over to 2013/2014 financial year
100% MIG spending	100% MIG spending
444 jobs were created through EPWP	371 jobs were created through EPWP
25 targets achieved	32 target achieved
Local Economic Development	
01 target achieved	02 targets achieved
Financial Viability	
11 targets achieved	10 targets achieved
Good Governance	
qualified audit opinion	qualified audit opinion

APPENDICES

Appendix A-Councillors- Council Attendance

number	Surname	Full names	full time/ Part time FT/PT	Committee Allocated	Ward and /or Party represente d	No of meeting s held	no. of meeting s attended	No. of apologies for non- attendance	No of Absence without leave
01	Mahlase	Kenneth Sedibaneng	PT	Finance and Infrastructure	1	18	16	1	1
02	Phatlane	Alfred	PT	MPAC and Infrastructure	2	18	13	2	3
03	Mahlangu	Mputsu David	PT	Community and Infrastructure	3	18	17	1	0
04	Lepota	Tseke Jan	PT	EXCO	4	18	14	2	2
05	Mmutle	Thabo Nelson	PT	MPAC, Finance and Infrastructure	5	18	15	0	3
06	Phala	Magabolle Lucas	PT	Community Development	7	18	16	0	2
07	Mzinyane	Daniel Monicca	PT	Strategic Dev. and Corporate services	8	18	16	1	1
08	Marapi	Maphahlane Shadrack	PT	Finance	9	18	15	0	3
09	Mehlape	Salaminah Hlaole	PT	Strategic and Dev. Planning	14	18	13	5	0
10	Mashifane	Hlekego Samson	PT	MPAC and Dev. Planning	15	18	17	1	0

number	Surname	Full names	full time/ Part time FT/PT	Committee Allocated	Ward and /or Party represente d	No of meeting s held	no. of meeting s attended	No. of apologies for non- attendance	No of Absence without leave
11	Buda	Medo Zephania	PT	Corporate Services	16	18	16	1	1
12	Tshoma	Mmapetla Salamidah	PT	Corporate Services and Infrastructure	17	18	14	2	2
13	Matshipa	Mpoye Philimon	PT	Development Planning	18	18	12	3	3
14	Mahlangu	Julia	PT	Corporate Services	19	18	13	1	4
15	Matlala	Makhamise Simon	PT	Finance	20	18	14	2	1
16	Nduli	Msanyana Elias	PT	Community Services and MPAC	21	18	17	0	1
17	Tshoma	Lukas Hlabishi	PT	Community Services and Strategic Services	22	18	14	2	2
18	Mahlangu	Nomsa Ndazi	PT	Community Services and Dev. Planning	23	18	18	0	0
19	Mokganyetji	Thomas Mareme	PT	Corporate Services and Strategic planning	24	18	16	2	0
20	Mashilo	Malope Samaria	PT	Infrastructure and Strategic Planning	25	18	17	1	0
21	Motlafe	Manthwaleng Girly	PT	Infrastructure and Dev. Planning	26	18	18	0	0
22	Mohlala	Jan Matime	PT	Oversight	27	18	16	1	1
23	Tladi	Magetle David	PT	Strategic Planning and MPAC	28	18	13	1	4

number	Surname	Full names	full time/ Part time FT/PT	Committee Allocated	Ward and /or Party represente d	No of meeting s held	no. of meeting s attended	No. of apologies for non- attendance	No of Absence without leave
24	Nkosi	Sipho Frans	PT	Finance and MPAC	29	18	17	0	1
25	Malekane	Mpho Sam	PT	Corporate Services and Oversight	30	18	14	3	1
26	Phahlamohlak a	Tebogo Mafereke	FT	Chief Whip and Programming	PR	18	18	0	0
27	Matemane	Matlakalane Windy	FT	Mayor, EXCO	PR	18	18	0	0
28	Madihlaba	Moraswana Frank	PT	EXCO	PR	18	14	1	3
29	Mamaila	Delly Suzan	FT	EXCO	PR	18	12	2	4
30	Mathale	Seun Manaswe	PT	Community	PR	18	12	3	3
31	Matjomane	Germinor Delly	PT	Infrastructure and Strategic Planning	PR	18	17	1	0
32	Masemola	Elias Mmasehle	FT	Speaker and Programming	PR	18	18	0	0
33	Skosana	Sibongile Linah	FT	MPAC	PR	18	17	1	0
34	Mathebe	Julia Lata	PT	Oversight and Corporate Services	PR	18	16	2	0
35	Tshoshane	Mynah Kanyane	PT	EXCO ,Programming and Strategic Planning	PR	18	18	0	0
36	Mahlangu	Annie Busisiwe	PT	EXCO	PR	18	16	1	1

number	Surname	Full names	full time/ Part time FT/PT	Committee Allocated	Ward and /or Party represente d	No of meeting s held	no. of meeting s attended	No. of apologies for non- attendance	No of Absence without leave
37	Mahlangu	Thokozile Selina	FT	EXCO	PR	18	14	2	2
38	Mokgabudi	Motlare Piet	FT	EXCO	PR	18	18	0	0
39	Malatji	Meriam Nape	PT	Community	PR	18	12	6	0
40	Matsepe	Thapelo Stephina	PT	Finance	PR	18	17	1	0
41	Kabinie	Radipone Shirly Annah	PT	Community	PR	18	16	2	0
42	Kotze	Johan Pieter	PT	Infrastructure	13	18	12	3	3
43	Somo	Oupa Simon	PT	Strategic Planning	PR	18	5	5	0
44	Matsepe	Choloane David	PT	MPAC and Oversight	PR	18	16	1	1
45	Alberts	Rots	PT	EXCO and Finance	PR	18	18	0	0
46	Mhlanga	Christopher Thathane	PT	Corporate Services and Programming	6	18	11	7	0
47	Mogotji	Fanie Motshele	PT	EXCO	10	18	10	5	3
48	Maloba	Alpheus Matome	PT	Developmental Planning	11	18	14	3	1
49	Podile	Ramabane Johannes	PT	None	12	18	11	6	1
50	Ramphisa	Motiba William	PT	None	PR	18	15	1	2

number	Surname	Full names	full time/ Part time FT/PT	Committee Allocated	Ward and /or Party represente d	No of meeting s held	no. of meeting s attended	No. of apologies for non- attendance	No of Absence without leave
51	Skosana	Jabulane Johannes	PT	None	PR	18	16	1	1
52	Rakoena	Modibo Freda	PT	Community	PR	18	14	3	1
53	Moganedi	Velaphi Velly	PT	Finance and MPAC	PR	18	16	2	0
54	Motau	Oupa Elias	PT	Development planning	PR	18	16	1	1
55	Maselela	Makuwa Shorty	PT	Developmental Planning	PR	18	16	2	0
56	Mokone	Motsatsi Phistos	PT	Community	PR	18	10	3	5
57	Ntuli	Thembinkosi Josiah	PT	Community	PR	18	12	5	1
58	Mkhaliphi	Isaac	PT	Strategic Planning	PR	18	14	3	1
59	Matsomane	Shiko Tebogo	PT	MPAC and Programming	PR	18	15	0	3
6	Maepa	Malakia Mokgoko	PT	Developmental Planning	PR	18	6	5	7

Appendix B - Committees and Committee Purposes

Committees (other than Mayoral/Executive Committee) and Purposes of Committees	
Municipal Committee	Purpose of Committee
Corporate Services Committee	oversight role
Infrastructure Committee	oversight role
Finance Committee	oversight role
Social Development Committee	oversight role
Strategic Management Committee	oversight role
Development Planning Committee	oversight role

Appendix C- Third Tier Administrative Structure

Designation	Initial And Surname	Gender
Municipal Manager	Mrs. M Skosana	Female
Director strategic Management	Mr. M Kgware	Male
Acting Director Corporate Services	vacant	Male
Director Infrastructure	Ms T Komape	Female
Chief Financial Officer	Mr. M S Monageng	Male
Director Community Services	Mr. K E Tshesane	Male
Acting Director Development Planning	Mr. B.O Sethojoa	Male
Deputy Chief Financial Officer	Mr. R Palmer	Male
Legal Advisor	Ms O Nkoe	Female
Manager: Budget	Mr L. Sebelebetja	Male
Manager: Public Office Bearers	Mr. M M Mokganyetji	Male
Manager Assets	Mr. G Marshall	Male
Manager: Communications	Mrs M Burger	Female
Manager: Supply Chain Management	Mr M Mthimunya	Male
Manager Revenue	Mr B Mohlamme	Male
Manager: Hlogotlou	Mr. A Madiba	Male
Manager :Uitspanning	Mr. J Lepota	Male
Manager: Roosenekal	Mr. M F Mahlangu	Male
Manager: Motetema	Mr. C Masemola	Male
Manager: Electrical Maintenance	Mr. P Dreyer	Male
Manager: Human Resources	Mr. L. Mafiri	Male
Manager: Administration	Mr. G Ditshego	Male
Manager IT	Mr T. Mashaba	Male

Designation	Initial And Surname	Gender
Manager Environmental services	Ms M Mokhulwane	Female
Manager Expenditure	Mr. C Mtsweni	Male
Superintendent Roads Construction Unit	Mr. J Malaka	Male
Manager Traffic	Mr. C Coetzee	Male
Manager Roads	Mr. B Mkhonto	Male
Manager Licensing	Mr. D. Manzini	Male
Manager LED	Mr. M. Mathebe	Male
Manager IDP	Mr. J Motha	Male
PMU Manager	Mr H Mokgehle	Male
PMS Manager	Ms P Mdluli	Female
Electrical engineer	Mr K.K. Mametsa	Male
Chief Risk Officer	Mr K. Mathebe	Male

Appendix D - Functions of Municipality/Entity

Municipal/Entity Functions		
Municipal Functions	Function Applicable to Municipality (Yes/No)*	Function Applicable to Entity (yes/no)
Constitution, Schedule 4, Part B Functions		
Air pollution	yes	
Building regulations	yes	
Child-care facilities	yes	
Electricity and gas reticulation	yes	
Fire-fighting services	yes	
Local tourism	yes	
Municipal airports	No	
Municipal planning	yes	
Municipal health services	yes	
Municipal public transport	yes	
Municipal public works only in respect of the needs of municipalities in the discharge of their responsibilities to administer functions specifically assigned to them under this Constitution or any other	yes	
Pontoons, ferries, jetties, piers and harbours, excluding the regulation of international and national shipping and	yes	

related matters		
Stormwater management systems in built-up areas	yes	
Trading regulations	yes	
Water and sanitation services limited to potable water supply systems and domestic waste water and sewage disposal systems	No	Sekhukhune District Municipality

Municipal/Entity Functions		
Municipal Functions	Function Applicable to Municipality (Yes/No)*	Function Applicable to Entity (Yes/No)
Constitution, Schedule 5, Part B Functions		
Beaches and amusement facilities	no	
Billboards and the display of advertisements in public places	yes	
Cemeteries, funeral parlours and crematoria	yes	
Cleansing	yes	
Control of public nuisances	yes	
Control of undertakings that sell liquor to the public	yes	
Facilities for the accommodation, care and burial of animals	yes	
Fencing and fences	yes	
Licensing of dogs	no	
Licensing and control of undertakings that sell food to the public	yes	
Local amenities	yes	
Local sport facilities	yes	
Markets	yes	
Municipal abattoirs	yes	
Municipal parks and recreation	yes	
Municipal roads	yes	
Noise pollution	yes	
Pounds	yes	
Public places	yes	
Refuse removal, refuse dumps, and solid waste disposal	yes	
Street trading	yes	
Street lighting	yes	
Traffic and parking	yes	

Appendix E - Ward Reporting

Functionality of Ward Committees					
Ward Name (Number)	Name of Ward Councillor and Elected Ward Committee Members	Committee Established (Yes/No)	Number of Monthly Committee Meetings Held During Year	Number of Monthly Reports Submitted to Speakers' Office on Time	Number of Quarterly Public Ward Meetings Held During Year
Ward No 01	Cllr:Mahlase Kenneth	yes	41	17	7
	Ward Committees: Mphela Armelia,Mahlangu Goodness, Gededzha Mavis,Ramphisa Linah,Matlou Selinah, Kgomo Peter,Matuludi Cedrick, ,Kgalema Klaas and Phahlane Helen				
Ward No 02	Cllr: Phatlane Banda	yes	05	05	00
	Ward Committees:Phasha Solomon,Phatlane Lucy,Ralekwe Dolly,Dunge Olga,Matsane Gladys,Lebese Tebogo,Mathabathe Mpho,Motau Rosina,Masombuka Naledi and Mosoma Walter				
Ward No 03	Cllr:Mahlangu Mputsu	yes	02	02	08
	Ward Committees:Makau Hlakudi,Mathebe Stephens ,Simango Lebogang,Mohlala Margareth,Sithole Elsie,Malapela Frans,Ditshego Moses,Mokwane Matron and				

Functionality of Ward Committees					
Ward Name (Number)	Name of Ward Councillor and Elected Ward Committee Members	Committee Established (Yes/No)	Number of Monthly Committee Meetings Held During Year	Number of Monthly Reports Submitted to Speakers' Office on Time	Number of Quarterly Public Ward Meetings Held During Year
	Malefahlo Mamotsepe				
Ward No 04	Cllr:Lepota Tseke	yes	09	07	00
	Ward Committees: Malemone Herman, Moima Lizzy, Mashabela Lucas, Mampuru Olivia, Aphane Francinah, Mphahlele Martha, Malapela Kenneth, Leshabane Janeth, Mashabela Dipuo and Dwaba Lebogang				
Ward No 05	Cllr:Mmutle Thabo	yes	02	05	05
	Ward Committees: Mokoena Moses, Motau Kholofelo, Leope Nelly, Rasegatlé Robert, Mokwena Anna, Kutu Sarah, Makweoane Agnes, Mohlala Jameson, Makolane Selomang and Makgoleng William				
Ward No 06	Cllr:Mhlanga Chris	yes	05	05	00
	Ward Committees: Limakwe Nokwenda, Mbonani Linda, Moloi Zodwa, Phokwane Nkosinathi, Mogola Johannah, Ncongwane John, Mashego Poppi, Mahlangu Simon, Mzizi David and Ngwenya Zodwa				

Functionality of Ward Committees					
Ward Name (Number)	Name of Ward Councillor and Elected Ward Committee Members	Committee Established (Yes/No)	Number of Monthly Committee Meetings Held During Year	Number of Monthly Reports Submitted to Speakers'Office on Time	Number of Quarterly Public Ward Meetings Held During Year
Ward No 07	Cllr:Phala Lucas	yes	11	06	06
	Ward Committees:Mkhwanazi Mavis,Mokgabudi Class,Magagula Lebogang,Sithole Thembi,Mashishi Mpho,Maseko Agnes,Mnisi Isaac,Mashego Petrus,Mogajane Johannes and Mabelane John				
Ward No 08	Cllr:Mzinyane Monica	yes	08	03	01
	Ward Committee:Mtshwene Merriam,Makitla Melfort,Seopela Fetsi,Ntobeng Mavis,Makua Spokes,Makitla Brenda,Ditshego Johannes,Magana Josephine and Moima Francinah				
Ward No 09	Cllr:Marapi Maphahlane	yes	17	03	02
	Ward Committees:Mathebe Violet,Mahlangu Thembi,Kgaladi Shila,Nkosi Themba,Mankge Johannes,Mongale Gladys,Kgaladi Johannes,Nkosi Nkosinathi and Mathebe Florence				

Functionality of Ward Committees					
Ward Name (Number)	Name of Ward Councillor and Elected Ward Committee Members	Committee Established (Yes/No)	Number of Monthly Committee Meetings Held During Year	Number of Monthly Reports Submitted to Speakers'Office on Time	Number of Quarterly Public Ward Meetings Held During Year
Ward No 10	Cllr:Mogotji Motshele	yes	00	00	00
	Ward Committees:Phora Ntswaki,Mathebe Makgatle, Madisa Chipane, Matlala Julia,Mokone Shierly,Mohlamonyane Patience,Mohlamonyane Nelly,Mohlamonyane Jan,Makgane Edgar and Madisa Kgadi				
Ward No 11	Cllr:Maloba Matome	yes	05	05	01
	Ward Committees:Mariri Wister,Mashiloane Don, Cekhu Dumani, Mokoena Howard,Mthombeni Bangiswane, Mtshali Chris, Phiri Dinah, Kgaphola Virginia and Mohlala Themba				
Ward No 12	Cllr:Podile Ramabane	yes	08	13	07
	Ward Committees:Mathabathe Granny, Phorothle Thabiso, Mohlamonyane Fridah, , Ditshego Linky, Phora Mahlodi, Phora Mahlodi, Phora Daniel, Makitla Alfred, Mathebe Kalodi And Sefoloshe				
Ward No 13	Cllr:Kotze Johan	yes	00	00	00
	Ward Committees:Maroga Peter, Rampedi Nancy, Mellors Shaun, Le Roux Juvena,				

Functionality of Ward Committees					
Ward Name (Number)	Name of Ward Councillor and Elected Ward Committee Members	Committee Established (Yes/No)	Number of Monthly Committee Meetings Held During Year	Number of Monthly Reports Submitted to Speakers'Office on Time	Number of Quarterly Public Ward Meetings Held During Year
	Synders Piet, Dinah Pochane, Solomon Nonyane, Johannes Thulare, Arno Schoombee and Rebecca Fakude				
Ward No 14	Cllr:Mehlape Hlaole	yes	05	04	00
	Ward Committees:Maleka Steven, Ramodipa Enock, Mashabela Phillemon, Bogopa Botha, Molwele Kgaugelo, Makeke Mpilo, Mokgwatsana Antonia, Nkwana Rwadimane and Mabuza Mami				
Ward No 15	Cllr:Mashifane Hlekego	yes	00	00	00
	Ward Committees:Mtsheni Syria, Mahlangu Vusy, Mokabane Esther, Mokoana Boy, Mokoana Alphrat, Mokoana Dorah, Mnguni Nathi, Mogaela Salome, Mohlahlo Dolly and Maredi Jan				
Ward No 16	Cllr:Buda Mido	yes	01	01	01
	Ward Committees:Ntuli Selina, Zulu Ben, Mamaila Doctor, Mthweni Jan, Mthimunye Maria, Mashilangwako Josephine, Mokoena Rose, Mtsweni Balise, Mthombeni Lucas and Masilela Khennet				
Ward No 17	Cllr:Tshoma Salamidah	yes	03	04	02

Functionality of Ward Committees					
Ward Name (Number)	Name of Ward Councillor and Elected Ward Committee Members	Committee Established (Yes/No)	Number of Monthly Committee Meetings Held During Year	Number of Monthly Reports Submitted to Speakers'Office on Time	Number of Quarterly Public Ward Meetings Held During Year
	Ward Committees:Nkadimeng Freddy, Kgarea Viniger, Malema July, Mampuru Francinah, Malatjie Mokgadi, Madihlaba Motlalepule, Thipe Thabo, Monama Thomas Tshigo Phindile and Manyaka Lawrence				
Ward No 18	Cllr:Matshipa Mpoye	yes	01	01	00
	Ward Committees:Mosotho Mooiman, Shaku Erick, Rakgalakane Jullie, Mosehla Rose, Mtshwene Shemeng, Makua Nelson, Monareng Reginnah, Makua Petrus, Phetla Joyce and Mogana Emmah				
Ward No 19	Cllr:Mahlangu Julia	yes	04	06	01
	Ward Committees:Skhosana Delisiwe, Mahlangu Caro, Msiza Meisie, Mahlangu Themba, Mahlangu Elizabeth, Mashiga Nkosinathi, Mokwana Mickie, Mahlangu Tolly, Digaota Jimmy and Chego Kg				
Ward No 20	Cllr:Matlala Makhamise	yes	07	07	01
	Ward Committees:Nkosi Monica, Chego Piet, Selepe Zephora, Molomo Jafta, Matlala Frida, Machika Themba, Maredi Debora, Mokwana Thorwane, Moloko Annah and Zwane Zanele				

Functionality of Ward Committees					
Ward Name (Number)	Name of Ward Councillor and Elected Ward Committee Members	Committee Established (Yes/No)	Number of Monthly Committee Meetings Held During Year	Number of Monthly Reports Submitted to Speakers'Office on Time	Number of Quarterly Public Ward Meetings Held During Year
Ward No 21	Cllr:Nduli Elias	yes	02	06	03
	Ward Committees:Makeke George, Radingoana Victor, Muleka Steven, Tiase Selina, Sekwane Manche, Khoza Dipuo, Mthimunya Mavis, Mthombeni Elizabeth, Mashego Phillimon and Maphanga Nhlanhla				
Ward No 22	Cllr:Tshoma Hlabishi	yes	19	16	09
	Ward Committees:Matsepe Motlalepule, Masehla Dineo, Mealies Nebi, Malaka Sheila, Moramaga Maphathagane, Lerutla Serolo, Mashiloane Mogale, Lerobane Mamutle and Moramaga Patric				
Ward No 23	Cllr:Mahlangu Nomsa	yes	04	06	03
	Ward Committees:Skhosana Brandy, Mahlangu Annah, Ntuli Lettie, Mahlangu Elias, Madihlaba Milzon, Mohlahlo Mahlatse, Seabi Elizabeth, Mtweni Samson, Mphelane Kedibone and Mthimunya Siphon				
Ward No 24	Cllr:Mokganyetji Mareme	yes	09	13	06
	Ward Committees:Nkadimeng Bella, Mdau Themba, Mokoana Molebaleng, Mmakau Daniel, Mathelele Pheladi, Tjiane Rebene,				

Functionality of Ward Committees					
Ward Name (Number)	Name of Ward Councillor and Elected Ward Committee Members	Committee Established (Yes/No)	Number of Monthly Committee Meetings Held During Year	Number of Monthly Reports Submitted to Speakers'Office on Time	Number of Quarterly Public Ward Meetings Held During Year
	Mosotho Piet, Thobejane Setimo and Molapo Jeaneth				
Ward No 25	Cllr:Mashilo Samaria	yes	06	07	01
	Ward Committees:Masetlane Eric, Magaga Nthotse, Ratau Leah, Phala Florah, Lekala Reginah, Motshana Jack, Phetla Johannes, Skosana Job, Matsepe Kope and Motla Sinah				
Ward No 26	Cllr:Motlafe Manthwaleng	yes	04	03	01
	Ward Committees:Masekela Lindiwe, Mpubane Lorrain, Mokwena John, Matladi Morongwe, Mahlangu Edwin, Masemola Kagiso, Maipushe Beauck, Namane Betty, Mokwana Irine				
Ward No 27	Cllr:Mohlala Matime	yes	05	06	02
	Ward Committees:Makua Martha,Tshehla Andy, Tlaka Wiseman, Kabini Glaudine, Mohlala Johannes, Tlaka Beauty, Letuke Maihwana, Machika Matholo and Mohlala Jackson				
Ward No 28	Cllr:Tladi Magatle	yes	04	05	03

Functionality of Ward Committees					
Ward Name (Number)	Name of Ward Councillor and Elected Ward Committee Members	Committee Established (Yes/No)	Number of Monthly Committee Meetings Held During Year	Number of Monthly Reports Submitted to Speakers'Office on Time	Number of Quarterly Public Ward Meetings Held During Year
	Ward Committees:Makola Trevor, Tladi Patrick, Dikotope Jerren, Matuludi Eva, Tshehla Lucia, Senamela Ramathabathe, Mashifane Maria, Makuwa Thusho, Maipushe Sekina and Maphupha Kenneth				
Ward No 29	Cllr:Nkosi Siphoshe	yes	04	04	00
	Ward Committees:Nchabeleng Letsoko, Maleka Christina, Sekulane Clementine, Mashao David, Kgonyane Virginia, Mahlangu Nini, Mathabatha Matsatsi, Raseroka Solomon, Mokgabudi Comfort and Motsepe Enny				
Ward No 30	Cllr:Malekane Mpho	yes	08	03	01
	Ward Committees:Maabane Bongani, Magolego Conny, Maseko Zodwa, Madihlaba Losta, Kobo Richard, Makuwa John, Maphaka Elias, Sepodumo Shadrack, Kgopa Andries and Masha				

Appendix F - Ward Information

Ward Title: Ward Name (Number)

Capital Projects: Seven Largest in 2012/13 (Full List in Appendix N)				
R'000				
No	Project Name & Detail	Start Date	End Date	Total Value
25	Ramogwerane to Nkadimeng road phase 5 (4.5KM)	24/07/2012	30 July 2013	R19 277 480.21
27	Nyakelang village upgrading of bus route phs3 (2km)	20/07/2012	26/04/2013	R11 792 374.96
16	Zaaiplaas village upgrading of public road (Police station) Phs 3 (1.3km)	20/07/2012	21/01/2013	R 5 665 400.00
13	Groblersdal development of erf 885	20/07/2012	15/10/2013	R 4 464 209.74
2	Moteti B upgrading of bus route from gravel to asphalt	10/01/2012	10/04/2013	R 2 000 000.00
10,14,25,26&19	Designs for upgrading of Magoshi roads	20/07/2012	15/12/2012	R1500000.00
				TF.1

Top Four Service Delivery Priorities for Ward (Highest Priority First)	
Priority Name and Detail	Progress During 2012/13
Water	
Sanitation	
Electricity	210 households were electrified in Waalkraal 17 households electrified Groblersdal development of erf 885
Housing	

Appendix G - Recommendations of the Municipal Audit Committee 2012/13

Municipal Audit Committee Recommendations		
Date of Committee	Committee Recommendations During 2012/13	Recommendations Adopted (enter Yes); not adopted (provide explanation)
06 August 2012	That the Audit Committee Charter be approved by Council.	Yes
06 August 2012	That urgent and immediate action be taken to build internal audit capacity within the municipality	Yes- Chief Internal Auditor appointed and started on 01 October 2013
06 August 2012	That urgent action be taken to fill strategic vacant positions especially that of Chief Financial Officer.	Yes
24 January 2013	a panel of Attorneys must be put into place to avoid the risk of non-compliance with the supply chain management regulations in the procurement of legal services	Yes
24 January 2013	That there must be better contract management of Consultants assisting the CFO and the municipality with the work of valuation roll and asset management.	Yes
24 January 2013	That strategy must be devised by management including targeting and segmentation of debtors to improve collection.	Yes
24 January 2013	That debtors from the old system be assessed and where appropriate recommendation to Council be made to write-off such irrecoverable debts.	Yes
24 January 2013	That action plan by management be developed to address debt collection.	Yes
11 April 2013	That the strategic risk register must be aligned with the objectives set out in the IDP and the SDBIP.	Yes

Appendix H – Long-Term Contracts and Public-Private Partnerships

Long-Term Contracts (20 Largest Contracts Entered into 2012/13)					
Name of service provider (entity of municipal department)	Description of services rendered by service provider	Start date of contract	Expiry date of contract	Project Manager	Contract value
Tlou Integrated Technology	Designs for Magoshi roads	20/07/2012	28/03/2015	Levae Kekana	R 1 500 000.00

Appendix I - Disclosures of Financial Interests

Disclosures of Financial Interests		
Period 1 July 2011 - 30 June 2012		
Position	Name	Description of Financial Interest* (Nil/or details)
(Executive) Mayor	n/a	Nil
Member of Mayco/EXCO	n/a	Nil
	n/a	
	n/a	
Councillor		Nil
18 councilors		
Municipal Manager	n/a	Nil
Chief Financial Officer	n/a	Nil
Deputy MM and (Executive) Directors	n/a	Nil
	n/a	
	n/a	
Other S57 Officials	n/a	Nil

Appendix J - Conditional Grants Received: Excluding MIG

Conditional Grants: Excluding MIG						
R`000						
Details	Budget	Adjustment Budget	Actual	Variance		Major conditions applied by donor (continue below if necessary)
				Budget	Adjustment Budget	
Neighbourhood development Partnership grant				%	%	
				%	%	
				%	%	
Public transport infrastructure and systems grant				%	%	
				%	%	
				%	%	
				%	%	
Other: EPWP	R1.0m.	0	R1.0m.	%	%	
				%	%	
				%	%	
				%	%	
Total				%	%	

Appendix K: Capital Expenditure – New & Upgrade/Renewal Programmes

Appendix M (IK) Capital Expenditure - New Assets Programme

Capital expenditure – New Assets programme*							
Description	2012/13	2012/13			Planned capital expenditure		
	Actual	Original Budget	Adjustment Budget	Actual Expenditure	FY + 1	FY + 2	FY + 3
Capital expenditure by asset class							
Infrastructure - Total	-	-		-	-	-	-
<i>Infrastructure: Road transport – Total</i>	R38m	R38m	0	R38m			
<i>Roads, pavements & bridges</i>							
<i>Stormwater</i>							
Infrastructure: Electricity - Total	R3.2m	R3.2m	0	R3.2m			
<i>Generation</i>							

<i>Transmission &reticulation</i>							
<i>Street lighting</i>							
Infrastructure: Water – Total							
<i>Dams &reservoirs</i>							
<i>Water purification</i>							
<i>Reticulation</i>							
Infrastructure: Sanitation - Total							
<i>Reticulation</i>							
<i>Sewerage purification</i>							
Infrastructure: Other - Total							
<i>Waste management</i>							
<i>Transportation</i>							
<i>Gas</i>							
<i>Other</i>							
<u>Community – Total</u>							
<i>Parks &gardens</i>							
<i>Sports fields&stadia</i>							
<i>Swimming pools</i>							
<i>Community halls</i>							
<i>Libraries</i>							
<i>Recreational facilities</i>							
<i>Fire, safety & emergency</i>							
<i>Security and policing</i>							
<i>Buses</i>							
<i>Clinics</i>							
<i>Museums &art galleries</i>							
<i>Cemeteries</i>							
<i>Social rental housing</i>							

Other							
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<u>Capital expenditure by asset class</u>							
<u>Heritage assets total</u>	-	-		-	-	-	-
<i>Buildings</i>							
<i>other</i>							
Investment properties - total	-	-		-	-	-	-
<i>Housing development</i>							
<i>Other</i>							
<u>Other assets</u>	-	-		-	-	-	-
General vehicles							
Specialised vehicles							
Plant & equipment							
Computers -							
hardware/equipment							
Furniture & other office equipment							
Abattoirs							
Markets							
Civic land and buildings							
Other buildings							
Other land	-	-		-	-	-	-
Surplus assets -	-	-		-	-	-	-
(investment or inventory)							
Other							
<u>Agricultural Assets</u>	-	-		-	-	-	-
<i>List sub-class</i>							
<u>Biological assets</u>							
<i>List sub-class</i>							
<u>Intangibles</u>							
<i>Computers - software & programming</i>							
<i>Other (list sub-class)</i>							
<i>Total capital expenditure on renewal of existing assets</i>							

Appendix K (II): Capital Expenditure -Upgrade/Renewal Programme

Capital Expenditure -Upgrade/Renewal Programme*							
R`000							
Description	2011/12	2011/12			Planned Capital Expenditure		
	Actual	Original budget	Adjusted Budget	Actual Expenditure	FY + 1	FY + 2	FY + 3
Capital expenditure by asset class							
Infrastructure – Total	-	-		-	-	-	-
Infrastructure: road transport-total	-	639564	0	6395648.5	-	-	-
Roads, pavements & bridges	639564	8352		2			
Stormwater							
Infrastructure: electricity - Total	-	-		-	-	-	-
Generation							
Transmission &reticulation							
Street lighting							
Infrastructure: water -Total	-	-		-	-	-	-
Dams &reservoirs							
Water purification							
Reticulation							
Infrastructure: Sanitation - Total	-	-		-	-	-	-
Reticulation							
Sewerage purification	-	-		-	-	-	-
Infrastructure: other Total							
Waste management							
Transportation							
Gas							
Other	-	-		-	-	-	-
Community							
Parks &gardens							
Sport fields&stadia							
Swimming pools							
Community halls							
Libraries							
Recreational facilities							
Fire, safety & emergency							
Security and policing							
Buses							
Clinics							
Museums &art galleries							
Cemeteries							

Social rental housing	-	-		-	-	-	-
Other							
Heritage assets							
Buildings							
Other							

Appendix L – Capital Programme by Project 2012/13

Capital Programme by Project 2012/13					
Capital Project	Original Budget	Adjustment Budget	Actual	Variance (Act-Adj) %	Variance (Act-OB) %
Water					
District function					
Sanitation/Sewerage					
District function					
Electricity					
Waalkraal Electrification	R 1313,774.28	0	R 1 313,774.28		
Groblersdal Erf 885	R 2m	0	R2m		
“Project B”					
Housing					
“Project A”					
“Project B”					
Refuse removal					
“Project A”					
“Project B”					
Stormwater					
Ramogwerane to Nkadimeng road phase 5 (4.5KM)	R19 277 480.21	0	R19 277 480.21		
Nyakelang village upgrading of bus route phs3 (2km)	R11 792 374.96	0	R11 792 374.96		
Zaaiplaas village upgrading of public road (Police station) Phs 3 (1.3km)	R 5 665 400.00	0	R 5 665 400.00		
Moteti B upgrading of bus route from gravel to asphalt	R 2000 000.00	0	R 2 000 000.00		
Economic Development					
“Project A”					
“Project B”					

Sports, Arts & Culture					
"Project A"					
"Project B"					
Environment					
"Project A"					
"Project B"					
Health					
"Project A"					
"Project B"					
Safety & Security					
"Project A"					
"Project B"					
ICT and other					
"Project A"					
"Project B"					
TN					

Appendix M– Capital Programme by Project by Ward 2011/12

Capital Programme by Project by Ward 2012/13 R`000		
Capital Project	Ward(s) affected	Works completed (Yes/No)
Water		
District function		
Sanitation/sewerage		
District function		
Electricity		
Waalkraal electrification	4	yes
Housing		
Refuse removal		
Roads & stormwater		
Ramogwerane to Nkadameng road phase 5 (4.5KM)	25	yes
Nyakelang village upgrading of bus route phs3 (2km)	27	yes
Zaaiplaas village upgrading of public road (Police station) Phs 3 (1.3km)	16	yes
Moteti B upgrading of bus route from gravel to asphalt	2	yes

Appendix N – Service Connection Backlogs at Schools and Clinics

Service Backlogs: Schools & Clinics				
Establishments lacking basic services	Water	Sanitation	Electricity	Solid Waste Collection
Schools (Names, Locations)				
Schools	0	0	not established	
Clinics (names, locations)	0	0	not established	

Appendix O – Service Backlogs Experienced by Community Where another Sphere of Government is Responsible for Service Provision

Service Backlogs Experienced by Community Where Another Sphere of Government is the Service Provider (Whether or Not Municipality Act on Agency Basis)		
Services and locations	Scale of backlogs	Impact of backlogs
Clinics	none	
Housing	none	
Licensing and testing centre	none	
Reservoirs	none	
Schools (primary & high)	none	
Sports fields	none	
		TQ

Appendix P- Declaration of Loans and Grants Made by Municipality

Declaration of Loans And Grants Made by Municipality 2011/12				
All organisations or persons in receipt of loans*/Grants* provided by the municipality	Nature of project	Conditions attached to funding	Value 2011/12 R`000	Total amount committed over previous and future years
No grants and loans granted during the year under review				

Appendix Q - Declaration of Returns Not Made in Due Time Under MFMA S71

MFMA Section 71 Returns Not Made During 2011/12 According to Reporting Requirements	
Return	Reason return not properly made on due date
All MFMA Section 71 returns were made according to reporting requirements, and submitted in time	

ANNUAL FINANCIAL STATEMENTS

AUDIT ACTION PLAN

